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THE GULF: GOING
THE FINAL MILE

WARS ON ICE

New-Style
Figure Skating Takes
On The Traditional
Pageants

Katarina Witt And Elizabeth Manley





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CANADA'S WEEKLY NEWSMAGAZINE JANUARY 14, 1991 NO. 154 NO. 2

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COVER

WARS ON ICE

Innovative skaters like Katarina Witt are boldly challenging the more popular—and traditional—styles represented by Canadian star Elizabeth Manley. In the process, they hope to turn their medal-winning performances at the 1988 Calgary Winter Olympics into lasting acclaim and personal fortunes. They are launching skates that are artistic, sexy and starkly different. — 36



WORLD AT THE BRINK

As the world tensely awaits the Jan. 15 deadline for the Iraqi departure from Kuwait, Saddam Hussein agreed to a critical meeting in neutral Switzerland this week between his foreign minister and U.S. Secretary of State James Baker. The meeting is the last initiative before the deadly countdown begins. — 39



BUSINESS

BECOMING A GLOBAL GIANT

Northern Telecom of Mississauga, Ont., has set itself a lofty goal—to become the world's leading supplier of telecommunications equipment by the year 2000. Executives say that a commitment to research and development and ambitious take-over plans will help it to achieve that goal. — 39





Something They Love

Karen Witz says that she likes playing tennis, enjoys driving her new Volkswagen Golf and loves an occasional cup of downhill slush. But in a recent interview with *Maclean's*, the German slalom skier acknowledged that she rarely has any time for such leisure pursuits. Since the November, 1988, collapse of East German communism, the Olympic gold medalist has been free to pursue her professional career. As a result, director of the 1988 Calgary Olympics said that she has spent most of the past year in the United States. Currently, she and fellow 1988 Olympic gold medalist Brian Botscho are the co-stars of a glamorous new ice show that features those Canadian performers, Paul Martin, Barbara Underhill and Gary Beers, as well as a Canadian director, Sandra Rose.

But even though they bring a potent combination of athleticism and artistry to the ice, Witz and Botscho are facing the biggest competitive battle of their careers. They are gambling that a pure skating show will succeed in a market dominated by the long-established and enormously successful Ice Capades, which packages some high-quality skating along with slapstick humor and high-tech gimmickery. And the Hollywood-based Ice Capades, which features Ottawa's Elizabeth Masley as its point star, is just one of several popular, well-established skating shows. As well, the 1992 Winter Olympics, a little over a year away in Albertville, France, may produce a new crop of international veterans eager to launch lucrative professional careers.

Although skating is an intensely competitive sport for both professionals and amateurs, Senior Writer D'Arcy Jewell said that Witz, Botscho and the other skaters she interviewed for this week's cover package were friendly, open and generous with their time. Added Jewell: "The top skaters are simply hardworking individuals who are in the enviable position of getting paid handsome fees for doing something they genuinely love."



Witz and Botscho: meeting skaters in the biggest competitive battle of their careers

Ken Witz

Maclean's

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LETTERS

STAR-SPANGLED THE SYSTEM

I appreciate any proposal to remove our sanctified scarators and their slinky robes ("The Star-Spangled Beaver," From the Editor's Desk, Dec. 24). Our problem is not what to do, but how to enact change without full consensus. From March 1981 to the fall, many have stated what they appear united saying why they care, if they have one, as better. Until we give real power to our elected officials, we are doomed to inertia while the rest of the world speeds by.

Arith Shalokov,
Calgary

Why would you recommend the American type of government when Britain so recently demonstrated how to change leadership without and without noise? Our parliamentary system should be given a chance by dropping the leadership cult and permitting the local members some independence from the party leadership. Our system has combined the worst from the British and the American experiments—for example, the Senate. In Britain, members of the House of Lords are appointed for life, but revert to laymen in the United States, so are elected and well paid. In Canada, we appoint them and so pay them.

Elmer Tuck,
Warkentin, Ont.

In view of the belated and dangerous state of our federal government, I am such as favor of considering adopting the U.S. system, as you suggest in your editorial. However, I believe that you should have gone further: you should have suggested considering the adoption of a provision for impeachment of the prime minister. I would also favor a system of weighting the votes of voters. The votes of voters with higher educational achievements, business qualifications, social service qualifications and so on would be credited with a higher proportional value when they cast their ballots. Congratulations on a well-written and timely piece.

J. M. Jensen,
Edmonton, Ont.

Your notes on the Canadian version of the U.S. system of government have not really been thought out. Having lived in countries on five continents over the past 40 years, I have yet to see a system that can survive unity and equality. The main difference between the two systems is that the U.S. Constitution was deliberately framed in fear of democracy to prevent the popular will from becoming too powerful and has indeed resulted in a paralysis of structural strain, while ours is rather a philosophy of the will in a system that gives the majority party almost unlimited powers. Turning Cana-



Some choices 'we are doomed to inherit'

do into a U.S.-style republic would no more temporarily liberate Mulroney into politics than adoption of the Canadian ground rules would get people like George Bush to provide peace, order and good government.

A. Peter Henderson,
Windsor, Ont.

PASSAGES

RELEASED: Three federal prisons in Marion, Ill., after serving a five-month sentence for filing false income tax returns, Peter Ross, 48. The former Canadian-born superstar was arrested last July after pleading guilty to two charges of tax evasion. He was born in 1938, Ross, who holds the longest career being released, was listed from the date by the Canadian-born (Barry Gossman) for betting on Canadian horse races while he was manager. Ross will now serve three months in a halfway house in Coon Rapids, Minn. District court Judge Arthur Spiegel's sentence also demands that Ross provide public works of community service in five Canadian inner-city schools and at a local boys' club.

CHARGED: With being possessed for the purpose of trafficking, Cady Evelyn Smith, 43, in Vancouver. Smith was a girlfriend of Canadian John Edwards, who died in a Hollywood hotel room of a cocaine and heroin overdose in March, 1982. In 1982, Smith pleaded guilty to involuntary manslaughter in connection with his death. She served 18 months in prison. After her release, Smith worked as a legal secretary in Toronto and befriended along along.

DIED: Actor Bud Martin, 46, of cardiovascular collapse brought on by lung cancer, in Rancho Mirage, Calif. Martin, who was well-known for playing Doc J. D. Lister on the long-running 1960s TV series *M.D. Steve Rossi*, was also a stand-up comedian and a former cast member on the soap opera *The Edge of Night*.

THE PRICE OF FREEDOM

It seems strange indeed that in "Outlawing Hate" (Justice, Dec. 24), about the Multiculturalism Bill, inquiry into the teachings of Malcolm X was thought of as being in "holistic" or "conventional" views. "Spurring dialogue with 'conventional' views" is surely a sign of tolerance at best. There is no controversy about the historical facts of the Holocaust—and any reporter who describes Ross and his views as controversial might as well document his own ambivalence or ambivalence bias. Editorial negligence is the price of freedom.

Joe M. Condo,
Los Angeles, Ont.

Jews should not become the opponents by destroying freedom of speech. Free speech is invaluable. The moment you divide it, you destroy it. Mutual tolerance and restraint, even if it hurts, is needed between Ross and the Jewish community. History has taught that you cannot kill a person's beliefs by imprisoning him.

Berry Hogg,
Melville, Sask.

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FINDS: For Ontario's new law on violence, Charles Pinsky, 68, former owner of the Ontario Athletics. Last September, the Ontario Securities Commission charged Pinsky with not reporting that he increased his shares of Toronto-based Century Equity Corp. to 640,000 from 600,000, a violation of insider-trading regulations. Pinsky, who had a position 11-million fine and two years in jail, has to pay \$25,000.

PLEADED: Guilty, of voluntary manslaughter, Christine Bessie, 32, Ontario-woman after Markie Bessie's death. The 30-year-old Bessie had been charged with first-degree murder for the killing of her brother, boyfriend of the contractor's sister, Chyna, after a May 16 shooting. The charge was reduced after both sides agreed to a plea bargain.

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Hard times.
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That's what we're facing in Canada today. Unemployment, the GST, recession, inflation... all of us are feeling the pinch. And almost as bad as the news is the feeling of frustration, or lack of control. As individuals, our ability to shape national policy and the realities it dictates seems increasingly non-existent.

But perhaps it is time to put things into perspective, to step back and look at our hardships through someone else's eyes. Think for a moment what these hard times have meant for us - cutting a few corners, or postponing a trip? Maybe we're not eating out as much, or making do with last year's coat? We are all making sacrifices - but we haven't lost the vital necessities of our life.

To someone like this little girl, our hard times are her most cherished dreams. Her life lacks the most basic needs. Where we might be cutting back - she does without. No clean water, no education, no medical care, no choices. Her parents labour every day in a desperate battle to improve their lives - but all they do is exist. Our frustration at our inability to change the course of our economy pales beside their complete and devastating lack of control over so many aspects of their lives. Hard times... in the worst sense.

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COLUMN



Sorting out truth from fiction

BY DIANE FRANCIS

A television producer recently accused me of debate free trade with a lower union leader, but I just wasn't at the model. Neither was anyone else and the debate never happened. This is hardly surprising. Free trade proposals like myself are weary of union leaders and others who sport misleading half-truths when it comes to free trade. One of the worst examples was the 1980 election scaremongering by former Liberal leader John Turner to an old people's home where his audience would be sacrificed for the sake of free trade. That's not even a remote possibility, but his accusations are still in it, spreading myths and incorrectly blaming free trade for every ailment and plant disease in Canada. Worse yet, B-attended journalists let them get away with this and the public relies too heavily on the media for information.

At a time of international trading as general, and of Canada's bilateral deals with the United States in particular, I can say without hesitation that free trade has been beneficial. It would have been true even before the fact, however, if Canadian politicians hadn't spent the entire year, pulling up huge debts which have made us less competitive trade-wise through high interest rates, high interest rates and high exchange rates. Despite being misled by such overblows, the facts show that Canadians have prospered under free trade. In the month that free trade took effect, in January, 1989, Statistics Canada reported that 32,436,000 Canadian jobs had been created, the agency reported 12,497,000 Canadian jobs. That's a net gain of 19,939 jobs.

Now, if I were as ardently conservative as some free trade critics, I would conclude that free trade single-handedly "created" those new jobs. But that would be as fallacious as claiming that free trade is single-handedly to blame for all job losses.

Despite claims of countless prosperity under free trade, the Canadian Labour Congress

Critics of the free trade deal are intellectually dishonest. The facts show that Canadians have prospered under the agreement.

claimed last December that free trade has resulted in a loss of 236,500 Canadian jobs without increasing the job gains that occurred during the same period. The Globe and Mail's report on its front page on Dec. 15, along with a long survey government figures were available to discredit this claim. The question raised in my mind was, had our national newspaper based on Statistics Canada the fact that jobs are still being created—despite a harvesting recession worldwide which began six years ago—is published monthly by Statistics Canada.

Of course, I'm the first to admit that the economy is not a bed of roses. A further breakdown by Statistics Canada shows that 263,300 manufacturing and service jobs have been lost since January, 1989, while 283,800 service jobs have been created. Critics claim these manufacturing jobs fell victim to free trade with the Americans. But they're wrong again. According to the Canadian Manufacturers' Association's chief economist, Todd Bailey, Canadian net job losses are due mostly to the worldwide recession, plus the heavy oil sales posted by the three American companies in the oil market. Other causes are bankruptcies or shutdowns caused by a number of individual events such as inadequate financing, poor man-

agers, poor marketing efforts, poor or insufficient research, poor management or union demands which priced products out of the marketplace.

Bailey says that manufacturing job losses in industrialized countries during recession traditionally average between five and eight per cent of the entire manufacturing workforce. So far, Canada is in the middle, with a 6.6 per cent loss between October, 1989, and October, 1990. By comparison, during the last recession in 1981-1982—and in the absence of a free trade agreement—losses were nearly double for the same period of time. Between October, 1981, and October, 1982, some 13.8 per cent of our manufacturing jobs were wiped out. If I were as ardently dishonest as some free trade critics, I would boast that these figures show that free trade single-handedly out to half the deleterious effects of the recession. But that would be as fallacious as claiming that free trade is the principal cause of job losses, not the recession.

Bailey also points out that another major problem plaguing Canadian manufacturers posed free trade. It is the 35 per cent increase in the value of the Canadian dollar to 86 cents (U.S.) from 70 cents in 1986. The cause has been growing up those costs since January, 1986. After former Liberal cabinet minister Sinclair Stevens claimed in The Toronto Star that the Tories probably struck a deal with the United States to keep interest rates high in order to artificially prop up the Canadian dollar and restrict net competitiveness, and also have turned this risk speculation into gospel.

More nonsense. The story offered no proof because there isn't any. Besides, it is impossible to artificially prop up the price of any currency for a sustained period of time. "It's an absurd comment," says Jack Lawrence, a currency expert and chairman of Toronto brokerage firm Burns Fry Inc. "The governor of the Bank of Canada is independent from politicians and controls short-term interest rates with the objective of controlling inflation and encouraging long-term, non-inflationary economic growth. He would not be party to any agreement to keep the dollar artificially high."

While the high interest rate policy of current governor John Crow has hurting the Toronto population, it's unsuitable, in my view, counterparts in other countries. Although the federal cabinet can, in the event of policy conflicts, urge directives to the governor of the bank, as government has done challenge a bank governor since the 1930s, the government cannot interfere in domestic currency trading or currency collapse at international investors' full confidence in the management of the Canadian economy.

Free trade has been, and will continue to be, good economic policy because it ensures access to the world's best market and forces Canada to become more efficient. About the only serious negative aspect free trade has been the macroeconomic impact upon a public policy. And the most worrisome aspects haunting free trade is that these macroeconomic impacts are the result of mismanagement in the sector of federal decision.

AN ARCTIC WINTER RAGE

When Bart and Clara Helling of Kelowna, B.C., set out to return home on Dec. 22 after spending Christmas with family members in Calgary, they tried to take the weather into account. Aware of the risks of making the 600-km, nine-hour trip through the mountains by car, they had already decided not to drive home instead, they chose to fly, boarding a scheduled Canadian Airlines flight that should have taken them to Kelowna no more than an hour. But once the Hellinges were airborne, they were at the mercy of the freakish weather that blasted Canada's West in the closing days of 1990. First, they learned that heavy snowfall had closed Kelowna's airport, and their flight was being rerouted to Vancouver. After a touchdown there, the aircraft returned to Kelowna, but was again unable to land and turned back to Calgary. Finally, on their third try, they landed successfully at Kelowna—34 hours after leaving Calgary the first time. "We could have flown to Hawaii and back at that time," said Clara Helling later. "The way the

A FREAK STORM TURNS VANCOUVER STREETS INTO SKI TRAILS AND WIPES OUT CALIFORNIA FRUIT CROPS

weather is, that may not have been a bad idea."

While an unusually frigid air mass sat over the Prairies from Winnipeg to the Rockies, abnormally harsh winter weather battered much of usually mild southern British Columbia. Worst hit was Vancouver, where a Dec. 31 storm blew down from the Arctic and delivered 31 inches of snow, with drifts deep enough to

bury a car—the heaviest 24-hour accumulation in 22 years. It rained city streets both Vancouver and Victoria into skating rinks and ski trails, and delivered wind-blown temperatures cold enough to freeze exposed flesh within seconds. That storm's effects were felt as far south as California, where an estimated \$1.2 billion worth of fruit crops were destroyed, and east into the central United States, where heavy rain caused devastating floods throughout much of Indiana and Ohio. And while temperatures began to moderate by late last week, long-range forecasts suggested that more snow and ice was on the way for the West, along with below-normal temperatures in most of the rest of the country.

Electrical power failures and power driving conditions due to the early winter storms kept many westerners indoors. Vancouver's rapid-transit Skytrain service was shut down completely for two days after some of the slowest-moving rail system's safety equipment froze. And in Calgary, 32° C temperatures that could freeze hair to henna months past and cause an electrical keyboard to seize up silenced some of the musicians gathered to celebrate 5,000 residents who braved the cold to witness the world premiere of New Year's Eve. In a reference to the frequent snowing winds that can swirl a Calgary winter overnight, Barbara Brown, a spokeswoman for the festival, joked, "We could have used a chisel."

Elsewhere, authorities blamed the severe weather and icy roads for two fatalities in Alberta. Airports were closed or hit with long delays as far east as Regina, and hundreds of travellers were stranded along major western highways. In Winnipeg, striking public-sector unions held 30° temperatures when they set up their picket lines.

At the Kootenay Pass through the Selkirk Mountains, a few miles north of the Canada-U.S. border, snow of twice-normal depth kept the Trans-Canada Highway closed for 112 hours last month. Noted avalanche technician Robert Macnamer "When I moved here three years ago, the people told me this was the best time I've never had to shovel my driveway. But now, I've got two feet of snow."

Added Macnamer, "On the other (west) side of the pass, a 'hike in Switzerland.' The snow banks are 15 feet high for two kilometres on the uphill side."

Although the severe storms might mean westerners of good weather forecasters noted that the water conditions, while unusual, were not unprecedented. Michael Ross, for



Jump-starting a car in frigid Calgary: exposed flesh froze within a few seconds.

one, president and chief meteorologist of a Montreal-based weather forecasting company, New-Tek Services, described December's weather patterns as "very unusual." Laws also said that while British Columbia regularly hosts the most frequent winters in the country, it has also recorded several of the highest snowfalls in Canadian history. Still, he said, the province had received "two to three times the average snowfall for December."

According to Laws and other weather specialists, the low temperatures and heavy snow were caused by a shift in the flow of the jet stream—a continuous ribbon of air flowing around the Northern Hemisphere as a westerly pattern at an altitude of between 10,000 and 30,000 feet. During December, the jet stream moved away from its usual course through Western Canada to follow a track several hundred miles farther west and south. The shift blew cold Arctic air almost due south along the Pacific coast and deep into the United States. That change, Laws added, coincided with the unusually high precipitation along the Pacific coast at this time of year, turning what would usually have been rain into snow. Still, Laws said that the jet stream's shift was within observed variations for the winter.

The weather that snarled traffic and caused widespread inconvenience at much of the region was even a mixed blessing for ski resort operators. The heavy snow created some of the best trail conditions that skiers in Alberta and British Columbia had seen in several decades. But at Porton Mountain, 115 km southwest of Calgary, resort owner Joe Coulthart

said that the intense cold discouraged skiers over the 12-day holiday period. Instead of the expected 24,000 visitors, the resort had barely 5,000. Said Coulthart, "This is probably not enough to make it a profitable year."

But the storms may have created their greatest economic damage in the United States, especially in the orange groves in the San Joaquin Valley south of San Francisco. Said Carl Anderson, vice-president of public relations for Shalco, one of the largest citrus distributors in North America, "It's just a cry. It's the worst ever." In the U.S., Malheur, near Astoria, heavy rain flooded large areas of land, Oreg., forcing the evacuation of more than 3,000 people. Since Dec. 18, the weather has been blamed for about 100 deaths in that area. Still, the U.S. National Climatic Data Center reported that, overall, 1990 had been one of the warmest years in recorded history for the United States.

Although by late last week much of the snow had melted in southern British Columbia, forecasters warned that the cold weather was likely to persist for several more weeks. Said Laws, "The official outlook looks promising" well into January. The main reason the jet stream showed no signs of returning to its normal track across the Canadian Prairies. For British Columbia, accustomed to heavy winters, it was best to keep their snow shovels and snowblowers ready—no less until February.

GREG W. TRELLO, with JACQUELYNNE L. VANNOY in Vancouver and JOAN MURPHY in Calgary

A NURSERY WALKOUT

Montreal nurses went on strike after contract negotiations between their union and the provincial government broke down. The 8,000 nurses, who make up the third-largest paid provincial nursing body in Canada, want a 27-per-cent pay increase over two years. The government's offer, which includes pay equity increases, is a maximum of 20 per cent over three years. Officials at some hospitals refuse to let nurses members to help lead and care for patients.

A PREMIER UNDER FIRE

B.C. Premier William Vander Zanden has efforts to serve as a cabinet minister under fire out of office. He said that he will discuss his leadership with a group of Social Credit party members as possible. Two Vancouver-area Social Credit association presidents are sponsoring a campaign to force his resignation.

HONORING THE FORCES

Gen. John de Chastelain, chief of Canadian staff, announced that all defence units have arrived in the Persian Gulf will receive commendations. The awards will be presented to the 28th Provincial, 1st Airborne, 2nd Armoured, 3rd Armoured, 4th Armoured, 5th Armoured, 6th Armoured, 7th Armoured, 8th Armoured, 9th Armoured, 10th Armoured, 11th Armoured, 12th Armoured, 13th Armoured, 14th Armoured, 15th Armoured, 16th Armoured, 17th Armoured, 18th Armoured, 19th Armoured, 20th Armoured, 21st Armoured, 22nd Armoured, 23rd Armoured, 24th Armoured, 25th Armoured, 26th Armoured, 27th Armoured, 28th Armoured, 29th Armoured, 30th Armoured, 31st Armoured, 32nd Armoured, 33rd Armoured, 34th Armoured, 35th Armoured, 36th Armoured, 37th Armoured, 38th Armoured, 39th Armoured, 40th Armoured, 41st Armoured, 42nd Armoured, 43rd Armoured, 44th Armoured, 45th Armoured, 46th Armoured, 47th Armoured, 48th Armoured, 49th Armoured, 50th Armoured, 51st Armoured, 52nd Armoured, 53rd Armoured, 54th Armoured, 55th Armoured, 56th Armoured, 57th Armoured, 58th Armoured, 59th Armoured, 60th Armoured, 61st Armoured, 62nd Armoured, 63rd Armoured, 64th Armoured, 65th Armoured, 66th Armoured, 67th Armoured, 68th Armoured, 69th Armoured, 70th Armoured, 71st Armoured, 72nd Armoured, 73rd Armoured, 74th Armoured, 75th Armoured, 76th Armoured, 77th Armoured, 78th Armoured, 79th Armoured, 80th Armoured, 81st Armoured, 82nd Armoured, 83rd Armoured, 84th Armoured, 85th Armoured, 86th Armoured, 87th Armoured, 88th Armoured, 89th Armoured, 90th Armoured, 91st Armoured, 92nd Armoured, 93rd Armoured, 94th Armoured, 95th Armoured, 96th Armoured, 97th Armoured, 98th Armoured, 99th Armoured, 100th Armoured.

NEW YEAR'S HOT

Prime Minister the median-uncertainty Yellowknife Correctional Centre resulted in the new year with a cost that exceeded a \$200,000 worth of damage. Officials said that only a few of the facility's 122 inmates took part in the riot.

MONTREAL WARRIOR JAILED

Devon "Psycho" Nicholas, a 26-year-old carpenter from the Keweenaw Peninsula north of New Orleans, was jailed for two years last week after admitting to illegal possession of a gun and stolen property. He also pleaded guilty to obstruction and taking part in a riot. He was the first Montreal Warrior to be sentenced for offences during last summer's armed conflict at Oka.

BACK TO WORK

Quebec Premier Robert Bourassa's office announced that he is in good health and will soon be returning to work. Bourassa, who underwent surgery for a brain cancer last September and follow-up exploratory surgery in November, is scheduled to preside over a cabinet meeting on Jan. 16.

A FRIGID CURRENT MOVES WEST



Facing the music

On recess, Tory MPs hear anger from voters

Some Conservative MPs are driving or cancelling planned vacations in the sun in order to spend time with voters. Others are taking lowball meetings and appearing on call-in radio and cable TV shows. Still others, like St. John's East's Russ Reid who says that he intends "to spend two straight weeks in the car just going to homes and businesses," will turn up on election-day doorsteps. But, however they spend a New Year's break that may extend until Feb. 18, the government party's members are abeyance common: independent. They lack a bitterly divided country preoccupied with an explosive combination of concerns, and their party now commands the declared support of only 34 per cent of Canadians. As a result, many Tory MPs say that their best hope for re-election is to devote more time and attention to the voters who sent them to Ottawa in the first place.

For most, the message from the grassroots is unsettling. From coastal villages to major urban centres, Canadians say that they are worried and angry about everything from taxation and the faltering economy to national unity, domestic crime and the looming possibility of war as the Persian Gulf. Those concerns were clearly evident in the results of the annual *Macleod's* (Gleason) poll, published last week. It found that only 11 per cent of Canadians say that they are satisfied with the way government operates. Tory MPs say that is added worry is the highly-endangered small but influential regional parties—namely the western-based Reform party and the Bloc Québécois—that are competing for traditional Conservative support. As well, many longtime Tory supporters express a visceral, personal dislike for Prime Minister Brian Mulroney. Said Beaver Lodge, Alta., farmer (Hortel) Wilson: "It is a challenging time to be a Tory."

In many BC riding associations across the country, local officials say that the party's greatest challenge lies in showing that it can rescue the economy from the recession. Says Joseph Stewart, a party organizer in New

Glasgow, B.C.: "We've got to get the economy moving. MPs are going to hear that decrease food and fuel." The concern is equally clear in the West. Fischer Creek, Alta., businessman and riding association director Carol Brown, for one, told Mulroney: "The recession and interest rates have a lot of people upset. Things are at a standstill."

At the same time, many Tory voters are telling their MPs that the government has failed to get control over its own economic program. Said Ronald Malone, MP for the Alberta riding of Crowfoot: "If I go into the coffee shop anywhere in Canada, the message I get is that there are all kinds of cuts we can make, that we have to operate more lean."

One local Tory who expressed that view is Jeffa Bergman, pastor of St. Andrew's even-angel First Christian Church and a director of the BC North Kootenay riding association. Said Bergman: "I think people would accept tough measures if they saw leadership in spending in Ottawa."

But concern about the state of government finances is proving to be a double-edged sword. Recent rounds of federal spending cuts on such public services as the CMC and Via Rail, at a time when Canadian unity is threatened, have also fuelled complaints. And Tory attempts to broaden the base of government revenues by imposing the new Goods and Services Tax has been no more popular. As Fischer Creek's Brown noted, "A lot of people are really upset about the cut." (Hallaq/Paul) MP Garth Turner goes further still, suggesting that voters across the country may even be ripe for a tax revolt. "People are tacitly frustrated. They see taxes are going up—but so is the deficit."

In addition, many MPs have encountered rising concern about the possibility of a war in the Gulf. Said Toronto's Beyer, for one: "The overshadowing thing is what's going to happen in the Gulf. Other things fall into perspective if or when the whole world is going to go sideways."

Meanwhile, widespread worries about national unity have added another dimension to voter apprehensions. Says Edmonton-area MP Scott Thompson: "People are especially concerned about Canada and about the Billingham-Cameron commission [on the future of Quebec]. This is a head-on issue." For his part, St. John's lawyer and Tory supporter Cabot Martin predicted "total shock" in English Can-

ada. "I think people are going to be very disappointed," he said. "People want answers." And Drayton Valley, Alta., town councillor and Tory activist Natalie Olson said of the government that she believed, "In the rush of running the country, people haven't been consulted."

Timothy Tynes are perhaps more dispirited than anyone. Said Donald Jenkins, president of New Brunswick's Pundit/Royal riding association: "I think our worst case is not all that much hope for the next election. They're discouraged." Added Halifax-area MP Howard Crosby: "Our first concern is winning back our own support. Polls show that people who consider themselves Progressives Conservatives are not supporting the party."

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VALUE ON A GRAND SCALE

into following the Quebec convention's report, reported by Jean Allard Martin. "How are you going to explain to English-Canada the country they leave is gone?"

Against the backdrop of these problems, Tones at Quebec and the West face the additional challenge of new parties with strong regional appeal. In Quebec, many Conservatives express concern that the pro-independence Bloc Québécois could severely erode their own support. Said St-Maurice MP Denis Prévost: "Every moment of every day, people ask me why I don't join the Bloc. People here are angry over everything that stands for the federal government." One senior federal cabinet minister from Quebec even confided that "many of my friends wonder what I'm still doing in this party."

In the swirling riding of Gaspé, representing association president Stephen Tréblais noted that the Tories' attempts to raise in government spending by cutting back Radio-Canada television service are now considered to mean discrimination. The area's MP, Charles-Émile Bérubé, cancelled a customary southern winter holiday in order to spend the time going door-to-door to talk to constituents. Still, said Tréblais: "There is a lot of support for the Bloc Québécois here."

Western Tories encounter similar questions about the Reform party. In Alberta, says Robert Alexander, a Lethbridge accountant and riding association officer, "The Reform party would take 24 or 25 per cent of the vote if an election were held today." Adds Walter McBurn, a Tory lawyer who is president of the Canadian, Alta., Chamber of Commerce: "We've had a lot of turbulent campaigns going over to the Reform party. People feel the government hasn't been working in their favor. If the Conservatives don't have some policies to construct it, it will unravel at the next election."

Indeed, the snowball may already be gathering speed. Former Tory Roy Robitsek, a pastor at the evangelical Ashford-Glenora Christian Assembly in Abbotsford, B.C., said, "I have lost my membership ago. And I'm leaning towards the Reform party." Robitsek said that he blames the car, the government's stacking of the Senate with Tory appointees and Tory legislation on abortion for his disenchantment. "They say, 'This is the way it's going to be, like it or not,'" he adds. "Reformers just take time to spend on the grassroots."

Robitsek is not alone in blaming many of the party's—and the country's—woes on Mulroney. A spate of recent polls indicate that for Conservatives, the Prime Minister has become the embodiment of the mistakes crippling the country. Acknowledged Martin of St. John's, for one: "The feeling out there is very negative, that's true, but much of it is a personalized thing against the Prime Minister."



Conservative people ask him to join the Bloc Québécois

Still, most Tories continue to insist that Mulroney does not deserve his negative characterization as the author of much of the public discontent, none who were interviewed suggested that the time had come to replace Mulroney as



Thatcher: "We have to listen a lot"

Conservative leader. For his part, John Allard of Sydney, N.S., a former president of the Nova Scotia Conservative party, declared: "I stick up for Mulroney when people attack him and I am

quite confident in doing so. His ineptness is fuelled by the media."

In fact, many party loyalists use that public discontent with the government's policies and its leader has been exacerbated by miscommunication and a sensationalist media. Declared Gaspé's Bernard, an ex-southern Quebecer's House/Manitoba riding: "I feel that people are not that well informed about many issues. The media has not been fair."

Declared St. John's business man and Tory riding association director Frank Dillon: "Of course you're going to hear complaints. But somebody had to do these things. Somebody has to try and bring the deficit down."

Even the much-maligned GST has its defenders among the Conservative rank and file. Said longtime party supporter Mary Jean O'Brien of Toronto, for one: "If you understand the GST, you realize this is a much finer form of taxation. I feel this is one of the best things the government has done." Added retired Air Canada employee Tom Foster of Sarnia, Ont.: "Overall, the tax measures are one-

day. We're one of the last countries to go that route."

That is a message that many Tory MPs carry directly to their constituents in the next few weeks. And despite the sometimes harsh reception many Tories are getting in their ridings, the party seems intent upon expanding its contacts with additional voters. In fact, House Leader Harvey Jackson has recommended a drastic reduction in the sitting time of the Commons to allow MPs either to spend six extra days each week in their ridings or one other week every month at home. According to Andre, the proposed changes are in response to requests from constituents who complained that they "don't have a chance to interact with their elected representatives." Officials from other parties are expected to consult soon with Andre's office about his proposals.

Clearly, many MPs would welcome the chance to spend additional time in their ridings. Said Sir Bruce: "In Ottawa, we all bath in the same bath water. But there is a country taking away our share." Added Robertson's Thaddeus: "It would be nice to be able to go over to people's homes and have a cup of coffee or speak to service clubs. Politics is a two-way street. We have to learn a lot." But, for an angry electorate seeking answers to Canada's current woes, listening may not be enough.

GLEN ALLEN in Ottawa



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SPEYSIDE SENDS ITS BEST.

A casting change

Speculation grows about a cabinet shuffle

A cabinet shuffle, writes Lester Pearson in his memoirs, is a most unhappy assignment for a prime minister. In the third edition of *Atlix*, which covered his years as Liberal leader from 1956 to 1968, Pearson noted that forming a new cabinet required that "friends had to be left out." And re-appointing as casting cabinet, he added, meant that "friends had to move on." Despite that pessimistic disclaimer, successive prime ministers have often resorted to shuffling their cabinets in an attempt to put a fresh face on government policies—and to improve the governing party's standing at polls or in opinion polls. Now, with support for the governing Conservatives stuck for almost a year below 30 per cent in opinion polls, many Tories say that they are eager to see Prime Minister Brian Mulroney recast his cabinet.

At a jointed news conference, Mulroney dodged questions about whether he would shuffle the cabinet. In fact, like most prime ministers, his style has always been to keep such changes—and their timing—a closely held secret. But the lack of advance editions about Mulroney's intent has not stopped political analysts from speculating on when a shuffle might take place—and who is likely to be affected. For their part, many of the Prime Minister's closest aides predict that he will make no changes before the government's new budget is introduced in late February. But most agree that the more for a shuffle would be to bring to the front bench a new team of Tories identified by association with many of the government's deeply unpopular policies from the past two years.

In that light, *equidistant* a microcosm for a change has been the critical finance department. Michael Wilson has held the job since 1984—as long as the Conservatives have been in power. But as the leading spokesman of the Goods and Services Tax and the architect of a succession of budgets that have slashed federal spending on such services as passenger trains and the CBC, Wilson has become synonymous with grim announcements from Ottawa. As a result, Tory audiences frequently cite Wilson as the minister to be moved, perhaps to the equally prestigious external affairs job currently held by Joe Clark. Still, some advisers to the Prime Minister "They want Wilson to do one more budget. So any significant shuffle won't happen until April."

Whenever it comes, Wilson is not the only veteran Tory likely to be reassigned for the run-up to the next election, likely in 1990.

Senior party members say that several prominent ministers, including Wilson, Clark, International Trade Minister John Crosbie and Deputy Prime Minister Donald Macdonald, are physically exhausted and politically spent from their long service on the front bench. Other



Wilson, Campbell (below): a search for new Tory stars

ministers are so closely affiliated with unpopular policies that they may have to be moved. As a member of federal government relations and the government's leader in the upper chamber, Senator Lowell Murray, for one, became the most visible Tory spokesman on two contentious issues, the Atlantic salmon trade and the

Mealy Lake acid and the battle to get the GST through the Senate. Privately, Murray has previously been asked to be reassigned since the March 1989 election last June. He has declined to speculate that he would prefer a job trying to show up the law minister in the Conservative party organization.

Clearly, if the Tories are to win a third successive majority government, they will need to create a sense of renewal in cabinet. And Hugh Segal, a longtime Tory adviser, "You would be pretty hard-pressed to find the performance of most ministers

So the rationale for a shuffle would be to involve new people in the process."

And that task may prove more problematic for Mulroney than simply retiring his old team. The only viable rising star is Justice Minister Kim Campbell. Despite her uncertain direction of controversial legislation on abortion through the Senate and of new gun-control legislation through the Commons, cabinet colleagues regarded her as a team player and increasingly mention her as a potential leadership candidate should Mulroney step down before the next election. Other current ministers who could find themselves elevated into more senior—and high-profile—jobs are Employment and Immigration Minister Barbara McDougall and Treasury Board president Gilles Lussier, a former diplomat who has maintained his engagement in a nervous Quebec career. Both McDougall and Lussier are possible successors to Wilson.

Mulroney may also have to look to his back benches in his search for new stars. Among the younger caucus members most frequently mentioned for promotion are Quebec MP Jean Charest and Newfoundland MP Ross Reid. Charest, a former lawyer and amateur sport shooter who resigned from cabinet last year after losing to a Montreal judge about an active court case, is still considered by Mulroney to be politically viable. And Reid, regarded by other Tories as one of the smartest and hardest-working caucus members, could help improve the party's popularity in Atlantic Canada. At the same time, Edmonton MP James Edwards could provide an injection of fresh political energy from the West.

But Mulroney is also capable of outbidding any conventional predictions about a shuffle. For one thing, government ministers often predict that Clark will replace Murray in minister for federal-provincial relations, but Mulroney himself is certain to be the leading government spokesman as the constitutional struggle that he should, and that might discourage him from considering Clark to what could easily become a shadowy role as a mere figurhead minister.

These considerations ensure that Mulroney will find the task of retooling his cabinet no easier than Lester Pearson did.

By BRUCE MALLACK in Ottawa



Imagine, during an outdoor walkabout on the world's oldest continent, crouching across a cave painted with history by thousands of years. And following it up by witnessing the traditional "Dreamtime" dance as performed by the ancient Aboriginal artists' descendants. Imagine being in the midst of a tropical rainforest, surrounded by wildlife found nowhere else on earth. And picture yourself at the feet of Ayers Rock at sunset, the most sacred site of the Aborigines and perhaps Australia's greatest mystery of all. Now, imagine two people on a tiny coral island, surrounded by nothing

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AT THE BRINK

It was the last chance for peace, warned President George Bush. But Iraq strongman Saddam Hussein, with the cool, hair-trigger gambler, was clearly in no hurry to accept. He kept Bush, and the world, waiting for 36 hours last week before taking up Washington's offer—a meeting between his foreign minister, Tariq Aziz, and Secretary of State James Baker in neutral Switzerland. Hussein chose the last of the three dates that the President had put forward: Wednesday, Jan. 9. Bush called the Iraq acceptance a "useful step," but there was only a slender chance that the meeting alone would produce a peaceful solution to the Persian Gulf crisis. The President had already declared that Baker would offer "no negotiations, no compromises, no attempts at face-saving and no rewards for aggression." At the same time, Iraq officials claimed that they will not surrender Kuwait, which Hussein's forces occupied on Aug. 2. Said William Quandt, Middle East expert at Washington's Brookings Institution: "It would be very surprising if either side had a heart-felt intention to launch at this meeting."

Still, the very fact that Iraq and the United States had at last agreed to talk raised hopes that, behind closed doors, they might modify their hard-line public positions. Hussein linked his acceptance of the meeting to a renewed demand for a general Middle East peace conference that would discuss the future of Palestinians in the Israeli-occupied territories. Before leaving for a Camp David weekend retreat, Bush repeated his rejection of that connection. But at a London-based meeting of foreign ministers of the 12-nation European Community, the French government introduced a plan that would assume the Iraqis that, if they left Kuwait, all Middle East regional issues—including the Israeli-Palestinian dispute—would be ripe for discussion. The mission assigned Aziz to talk the day after his meeting with Baker, but Baghdad turned the offer down in another French initiative, President François Mitterrand said that it would

AS THE DEADLINE FOR WAR LOOMS, DIPLOMACY IS THE ONLY HOPE LEFT FOR A GULF PEACE

be "a good thing" if the UN Security Council met again before its Jan. 15 deadline for Iraq's withdrawal from Kuwait.

But on Saturday, in a national radio address, Bush appeared to signal that serious diplomatic solutions as reached this week. Washington favors a military offensive soon after the deadline passes. "Time is running out," he said, adding that each day of the occupation is proving to be increasingly costly to the U.S. economy and to countries around the world. The President said that at their meeting, Baker will tell Aziz: "Withdraw from Kuwait, immediately and unconditionally, so that the terrible consequences" Bush declared that the U.S.-led coalition is "ready to use force to defend a new order emerging throughout the world," a reference to the end of the Cold War and the freeing of many countries from the allegiance that it involved. "We cannot wait," said the President. "At stake is the kind of world we will inhabit."

Meanwhile, as residents of Baghdad leaved for possible an attack and as Canada began to rotate aerial crews in the Gulf, there is a clear possibility that fighting will begin soon after the deadline. Reinforcements by both sides brought some as that one million the number of troops facing each other as the report: 540,000 for the multinational alliance and 336,000 for Iraq. In that unclear situation, there was clearly a danger



Iraqi soldiers training in desert. Hussein (opposite) around the world, the final countdown to war began

that Bush and Hussein would underestimate each other's resolve. Said Rami Mersel, professor of international affairs at Ottawa's Carleton University: "If either side miscalculates and feels the other side is soft, there are chances for miscalculation."

An intense atmosphere pervaded Baghdad. The Iraqi foreign minister said that they will begin all government functions at the capital before the Jan. 15 deadline. And a *Middle East* correspondent reported that in the streets, bazars and coffeehouses, the most frequently heard phrase seemed to be "You matter what." Said one man in the bazaar: "No matter what happens, we have brought the Americans a lesson." Said another: "No matter what happens, we have kept our dignity." And a third Baghdad resident declared: "No matter

what happens, the Middle East will never be the same."

Everywhere in the Iraqi capital, preparations for war were frenzied. Residents tried out weapons to reduce the risk of shelling glass and piled sandbags to protect themselves against blast and incendiary fragments. Soldiers cautioned that roads into Iraqs for anti-aircraft weapons. And lower levels of military age were visible in the streets. As well, the effects of the UN-sanctioned blockade of Iraq were more noticeable. Such goods as bread, milk

and oil cost \$400—about six months' wages. In another universal symbol of the experience of war, large numbers of weddings are taking place during a time of year when they are normally infrequent. Large and boisterous wedding parties occur nightly in the lobby of the Al-Rafidain hotel. Wedding-style parties are held to get married right now because who knows what may happen tomorrow," said a dark-haired bride named Majnoon. Her groom, an army officer named Ismail, whose unit is posted near the Turkish border, added: "I'm very happy to be marrying Sultana Shaban. But tonight, I'm going to make my wife happy, if you know what I mean."

An accelerated call-up of 17-year-olds was one of the clearest signs of the nationwide campaign to prepare for fighting. In a week, a market close to the east bank of the Tigris River, 50-year-old captured after Kuwait's fall, produced a tattered photograph of his son, Abdul, and said: "They are taking my last one. I have three other boys up there at the front already. He said: 'With them come back! Jash Allah (God willing), there will be no war, but if there is they will fight for their lives.'"

At most Western embassies, but few consular departments have been evacuated. U.S. and British officials were shedding sensitive documents. The most sensitive particularly those at the British Embassy last week after London expelled seven Iraqi diplomats and 67 other Iraqis at nationals. A British Foreign Office spokesman said that the action was a response to "a number of public threats" by the Iraqi ambassador. At the diplomats left for Baghdad on Friday, press conference for Nassir Hussein declared: "If Iraq is going to be attacked, it will be by the British, the Americans, the French, the Gulf, began raising the ship's crew. As the 372-member crew of the supply ship *Providence*, which has been based in the Gulf since Sept. 27, prepared to fly home, a new consignment arrived in Dubai to replace them. As well, in Esquimaux, B.C., the *ANAC* was destroyed by an Iraqi plane. For the British, the *Providence* was the last of the month, as the 315-member crew in

AMERICANS SHOT In El Salvador, Italian rebels that down a U.S. helicopter, killing three American military advisers on board. The deaths are likely to reverse efforts in Washington to U.S. military aid to Salvadoran government forces in the 11-year-old civil war. Congress fears about \$40 million in aid for 1991, but could release it if there is proof that the rebels are receiving significant arms supplies from abroad.

A NEW POLISH PREMIER Poland's parliament approved President Leszek Miller's nominee for prime minister, Jan Krzysztof Paleski, 39, a member of the small Liberal Democratic Congress who has argued for faster privatization and closer cooperation with the West. The legislature was expected to return Leszek Baleski, member of Poland's so-called shock therapy economic reforms, as finance minister.

DEATH OF A TERRORIST In Dublin, Irish police found the body of Frank Shorty, an IRA gunman who had studied capture for more than two years. Police said that Shorty, 36, had fired a bullet wound to the head and that they suspect suicide. Shortly before the British authorities' report, several other IRA leaders had been killed in London in 1989 with a list of 100 IRA members targeted for assassination.

A STRAIN LOOK-ALIKE For nearly 30 years, Josef Stalin often used a double-barreled cane in public functions because of his fear of assassination, according to Moscow newspaper *Pravda*. After the member of Politburo member Sergei Kurov in 1934, it claims, Stalin had an intelligence agent catch the country for a suitable look-alike. The man they chose was a Jewish doctor sent from Ukraine, Enns Lashko. Surprised, his doctors and taken working on Lashko to improve the resemblance. Then, Stalin had them and Lashko's family considered to prevent the secret from leaking out. Later, Stalin ended Lashko's life in prison. He died after his release following Stalin's death in 1953.

CRITICIZING ISRAEL All 48 members of the UN Security Council approved a resolution depicting the shocking violence in the Israeli-occupied Gaza Strip, where security forces killed an innocent and wounded 156 in three days. For the fourth time since October, the United States, Israeli ally, supported the condemnation of Israeli conduct of Palestinians in the occupied territories.

scheduled to fly to the Gulf to relieve the crew of its sister ship, the *Albuzhan*. Thousands of cheering, flag-waving people, and a handful of activist protesters waving Israeli-made rally flags, saw the *Sharon off*. A Soviet band played as the *Sharon's* crew waved farewell to spouses, children and other friends from the forecastle. Said Jeanne Ficht, 32, standing at the dock with her two small children as her *Soviet* husband, Paul, left: "I'm not only relieved about her going over there. But Paul is looking forward to doing what he was trained to do."

Begins Nasa, 49, and his 15-year-old daughter, Mikay, were among those who watched the sail-off. Said Nasa, "Canadian Jews started to stand with the United Nations." Added his daughter: "I've got an Israeli in Korea." But Sonja Bekford, one of about 60 activist demonstrators, said: "I was very fearful. I didn't want my daughter to grow up in a world that is at war." In fact, the *Sharon's* departure had split Victoria's Jewish community. Betty Bengelwell, 65-year-old organizer of an antiwar group called the *Waging* *Wages*, refused to take part in the protest, explaining: "We can't take the sailors for the stability of the police." She said soldiers who took part of from doing with internal battles in his Soviet Credit party to see the *Sharon off* was B.C. Premier William Vander Zalm. Declared the premier: "This battle means that no problem are pretty much."

President, with 10,000 troops, 40 fighter aircraft and 11 naval vessels in the Gulf, a larger contributor to the multinational force conducting Iraq. And despite his new peace plan presented to the UN and his call for another Security Council meeting for the January 15, President Bush said that his country would not join any of the United States. He added that Iraq will have to undertake a "total, comprehensive and needed withdrawal" to avoid war. But he declared: "I will certainly not exempt any Israeli soldier or any objective that was not explicitly approved by the Security Council."

The prospect of war raised another concern in international circles last week. Scientists from several countries, meeting in London, claimed that if an atomic war has its thrust to reach and hit the Gulf oil fields, temperatures would be so sharply that global warming could be advanced by 30 years. Richard Scorer, a meteorologist at the University of Liverpool, predicted that frostbite like that followed the atomic bombing of Hiroshima in 1945 might break out. But on Friday, British Foreign Secretary John Major said that it would be impossible to spare the huge underground reserves. He added: "These hypothetical environmental effects would be far from the most serious." That was a clear reference to the large number of deaths expected if diplomacy, now in its critical final stages, fails to pull the two sides back from the brink.

JOHN KERNAN with JEAN ANGLAND in Baghdad. JAMES WATKINS in Vienna. MARK KERNAN in Zurich and correspondents' reports.

THE SOVIET UNION

Bracing for a flood

Rumors of mass departures worry Eastern Europeans

On a cold, overcast morning in Moscow recently, 60-year-old Nina Semenov stood in a long line outside a station food store to try to buy some cheese. Like many of the patients in the queue, the retired teacher was the only member of her family who had time to find food for working sons, daughters and grandchildren. And it was with an uneasy mixture of shame and gratitude that Semenov feared about the international food aid pouring into the country. "I am happy that people in the West want

to help us," said Semenov, a large, cheerful woman whose face was framed by bright red curls. "How else is it, though? That even people from the United States—people who are sending food to a country as rich as ours?" In the same line, Vladimir Chirkov, a 70-year-old man retired with a suitcase-stuffed motorcycle, shuffled forward with the aid of a cane. He had been injured, he explained, while helping to drive German soldiers from the outskirts of Moscow in 1941. "We beat them, and now they are asking us for food," said Chirkov. "First, but I am afraid we will become dependent on such gifts and never solve our problems."

In recent months, the specter of hunger and social unrest in the Soviet Union has led to an upsurge of international aid and has even caused a number of Western governments to send Soviet refugees to act to stabilize Eastern Europe. Last week President Mikhail Gorbachev struck a temporary economic accord with leaders of the 15 Soviet republics that could give him breathing space in his battle

to counter the chronic food shortages and widespread rioting that have followed a breakdown in economic ties among republics in the past year. And although a consensus of international organizations last month in Prague dismissed the likelihood of a mass exodus, some experts and that Soviet authorities themselves were baffled the recent last one conference analysis, who asked to focus on economic. "Hints from Moscow are designed

to maximize the West into mass, better economic help and possibly even accept sympathy for a domestic crackdown in the Soviet Union."

Soviet officials routinely deny the allegations. But their nervous responses to the west take seriously the threat of a human wave heading across their borders. In Poland, Col. Zdzislaw Skoczny, the interior ministry official in charge of refugees, said that the government is preparing for three different scenarios. If the number of Soviet soldiers to Poland

begins to increase significantly, Skoczny said, his government must prepare them to exchange a mandatory minimum amount of currency, or emergency for mass. If Gorbachev were to impose martial law in the Soviet Union, he said, the Polish government would grant asylum to the estimated 100,000 Soviet soldiers in Poland. However, Skoczny added that the annual cost of feeding and housing those refugees would be about \$4.4 billion—"and that would mean the collapse of the Polish economy."

Skoczny described yet another possibility as "nightmare." If a violent revolution swept the Soviet Union, he said, Poland could expect two million refugees, which would cause the Polish state to collapse and start a domino effect throughout Eastern Europe. Declared Skoczny: "Europe must help the Soviet Union, whether we like it or not."

Similar concerns are evident in Czechoslovakia and Hungary. The Prague government has created a crisis committee to study the problem that a mass influx of Soviet refugees would create.

Said government spokesman Martin Fiedler: "We have to trust that it is not just the problem of the border country—Hungary, Poland and Czechoslovakia—but for many it is a problem for the whole of Europe, and perhaps for the whole world." In fact, so great are Hungarian fears of a Soviet refugee invasion that the pro-government newspaper *Magyar Hírlap* (Hungarian Journal) recently warned, "Hungary might be forced to go as far as



Leningrad shopper in nearly empty store; billions of dollars' worth of foreign emergency aid

Cartes, along its eastern border, a possibility in which anti-government would triumph over its commitment to democracy."

To help alleviate Soviet food shortages and gain support for the embattled Gorbachev, foreign governments have sent billions of dollars' worth of emergency aid, technical assistance and credits. At a December meeting of the 12-nation European Community at which leaders agreed on a \$1.6-billion package of such aid, British Foreign Minister Douglas Hurd declared: "It is not in the interests of Europe that the Soviet Union lapse into anarchy or that it should fall back into the hands of some backward-looking tyrant." Canada has

pledged extra terms for nearly \$1 billion in food credits.

The situation in the Soviet Union, however, remains precarious. Last Thursday, Gorbachev announced a temporary economic order with ambitious goals for the country. The Soviet president said that agreement had been reached on food supplies for the coming year, and he asked for progress in reducing deficits with the republics over which controls natural resources and hard currency export earnings. But it was not clear whether the Kremlin had completely patched up differences with the Russian Federation, the largest republic, led by Gorbachev's archrival, Boris Yeltsin, which

last recently threatened to cut its 10% contribution to the national budget by \$344 billion, or 85 per cent. And Lithuanian Prime Minister Kazimieras Pranaskevicius told a news conference last week that his republic would continue its independent path. Declared Pranaskevicius: "Lithuania will not take part either in the union budget or in the currency or some other common funds and structures of the Soviet Union."

Gorbachev, meanwhile, has issued a flurry of recent orders designed to reduce communist and non-communist control. He assigned the KGB a new task: cracking down on theft and black-market profiteering. He ordered Boris Yeltsin, the former head of the KGB in Leningrad, as interior minister in charge of the country's regular police forces. He also reaffirmed his own

intention to preserve the boundaries of the union. Those hard-line measures have sparked widespread speculation that Gorbachev was determined to take the side and to force a sudden resumption of strategic control. Edward Shevardnadze last month, Gorbachev's deputy said that the Soviet president's tough stance was a tactic intended to marshal conservative support for long-overdue reforms. With growing disorder and instability within a living Soviet Union, however, failure could make dark predictions a mass exodus increasingly realistic.

ANDREW HILSKI with MALCOLM GRAHAM in Moscow and ROCKY FURBER in Warsaw

A PERILOUS WINTER EXODUS

They came by the thousands, wandering along, waving flags, brandishing anti-tank missiles and demanding access to crossing points to escape Albania. Eastern Europe's last bastion of orthodox communism. Most of the refugees were ethnic Greeks and their destination was Greece itself, on the far side of snow-covered Mount Thracian straddling the border. They had despite promises by Albanian President Rexhep Mita to demonstrate his country, Europe's poorest nation. And they created an acute problem for Greece, where the government broadcast in appeal to their fellow ethnic, who make up about 10 per cent of Albania's 3.5 million people, to stay at home.

Greek Prime Minister Constantine Mitsotakis attributed a Jan. 13 visit to Tirana, the Albanian capital, as an effort to hasten

the Albanian process. But a speeding aerial military—once Albania was deeply shocked about it. As a commitment to holding a message of democracy. And even after Albanian border guards shot and killed five, would be returned last month, the crisis continued, swelling to over 2,000 deaths by December. There was a similar surge over the holidays. Greek border police reported that 3,000 Albanians crossed the border on New Year's Eve alone. Since border guards made no attempt to stop them, in fact, some observers said that authorities in Tirana may have deliberately opened the border to allow the Greeks to escape. Charles Skolomon, 45, who made a 10-hour boat to Istanbul, said that one guard had let his group through even though he "knew we were trouble, passed his machine-gun and said it was."

Meanwhile, the crisis created a major problem in the Greek border zone in Fidihi (population 6,000). 4,000 refugees crowded the nearby streets in search of food and shelter. Many of them were practically

without clothes, and Mayor Panos Koutas, and many were sleeping in cemeteries and on sidewalks, holding small campfires for warmth.

Albania's 45-year-old Communist regime, once so proud that it severed relations with the Soviet Union since 1961, began more relaxed last year following the collapse of authoritarian governments in other Eastern European nations. Then, Mita undertook to moderate the reforms after anti-communist riots last month. He also ordered opposition political parties and scheduled free elections in February. A new, draft constitution, published in the state-controlled press just after Christmas, would give citizens the right to vote or leave the country freely. But, for many of them, the changes were plainly too late, too late. Last month, Skolomon's Tirana's bus to great dangers as it began to reform.

JOHN KERNAN with correspondents' reports

PANAMA

Enduring the luxury

Noriega's case is cloaked in legal complexities

Issue No. 41586 has spent the past year in the so-called Dictator's Suite at Miami's Metropolitan Correctional Center, watching color TV, riding his stationary bicycle and enjoying the luxuries of a private shower, executive desk and even a paper shredder. It took 13 days for a \$4,000-strong U.S. invasion force to apprehend Panamanian strongman Manuel Noriega, and spent two weeks in Miami to beat drug-trafficking and money-laundering charges. But it is taking much longer to bring the former dictator to justice.

U.S. Judge William Haworth has said that Noriega's case has become so mired in legal complexities that his Jan. 28 trial date is likely to be postponed. In Panama, just over a year since the invasion that killed at least 528 Panamanians and 26 Americans, more than 3,000 of those whose houses were destroyed in the attack still live in makeshift accommodations. And now, there is growing discontent in the United States with Noriega's relatively luxurious quarters and with the delay in bringing him to trial. None knows Noriega's civilian name: Carl Haslam. "Noriega is now living better in an American prison than many people are living back in Panama," a crime writer has also said.

Panama in the past year. Although prosecutors are successful, officials in Panama say that drug trafficking has increased and armed robberies are rampant. The government of President Guillermo Blenda, with U.S. assistance, is trying to rebuild a police force from the devastated remnants of Noriega's notorious Panama Defense Forces. But these efforts suffered a serious setback last month when former police chief Eduardo Herrera escaped from prison and led rebel officers to seize police headquarters in Panama City. Nearly 500 American troops crushed the revolt, but the incident undermined Blenda's authority on the 12,000 U.S. troops still in his country.

In Miami, Noriega's lawyers have delayed proceedings by trying to have his case dismissed, arguing that Washington has no right to bring a foreigner held at state to trial. The sensational case has also been overshadowed by a

series of bizarre legal sidesteps. On Nov. 9, the Atlanta-based Cable News Network broadcast excerpts of taped telephone conversations between Noriega and his defense lawyers. Although press authorities routinely issued "no comment" calls, the comments are guaranteed the right to speak confidentially with their attorneys. And Noriega's lawyers say that they hope to get the case thrown out of court on the grounds that prosecutors have learned about defense strategies and their client can no longer receive a fair trial that prosecutors have claimed that none of the tapes had fallen into their hands.

Haworth has acknowledged that the events have been highly irregular. He added that he is "deeply concerned about the impact this case is acquiring—that the defendant is not going to be able to get a fair trial." The judge also temporarily banned CNN from broadcasting the tapes, a ruling that the network fought all the way to the Supreme Court. On Nov. 18, the high court refused to overturn the prohibition, but Haworth later said the ban is still another legal twist.

In all another legal twist, Noriega complained to a court that he has been unable to pay his lawyers. The government has about \$12 million in 27 European bank accounts, but the bank from which they have accrued is alleged that Noriega had misused his fortune. Prosecutors went to Europe last month in an effort to convince bankers to free funds from five of Noriega's accounts to pay for his defense.

In the meantime, prosecutors claim that they have secured a growing list of witnesses to testify against Noriega. Among them is Lt. Col. Luis Del Cal, who was accused of acting as a courier between Noriega and Colombian drug traffickers, but who pleaded guilty to reduced charges last month and agreed to co-operate with prosecutors. So far, however, the domestic and early U.S. invasion of Panama has proven to be the easier step in the long battle to bring the former dictator to justice.

MARY HEINRICH with TIM JOHNSON in Miami and correspondents reports



Noriega a shredder and a stationary bicycle

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City of slaughter

Rival clans battle for control of the capital

In the arid South desert, blood licks between clans fighting for control of scarce pastures and watering holes have rippled for centuries. And last week, those tensions erupted into a new and brutal reality on the streets of the capital, Mogadishu, as rival clans fought to overthrow President Mohamed Siad Barre's leftist government. Hundreds of foreigners including 12 Canadians, fled the East African country. As week's end decomposing bodies littered the streets, but it remained unclear which side was stronger. Western analysts said that the rebel clans had no unifying program except their opposition to the president, and that another blood battle would erupt in the near future. In London offices of the human rights group Amnesty Watch, "I would be surprised if there wasn't the most atrocious slaughter."

The battle for Nagasaki started rebels from the Hawley Civic League government troops composed mainly of members of Sad Barre's *Matsuban* class. Meanwhile, another 18,000 Quaker class fighters were advancing towards the capital from the west and, in northern Somalia, thousands of Isaaq class rebels surrounded major towns. At midnight, Sad Barre broadcast an emotional appeal for a ceasefire and he later called for peace talks. But a spokesman for the rebels said that they would not negotiate with the government and fighting continued. One diplomat, who asked that he not be identified, said that Sad Barre's call for calm signalled a change of strategy. "He is now trying to get the rebels to agree to a ceasefire and to defuse the rebels' animosity." It should be noted, however, that the fighting and

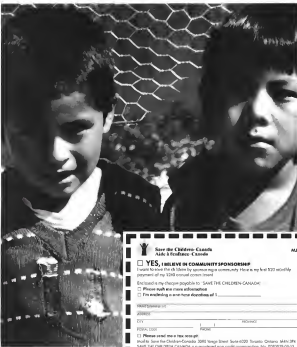
Staff Barrer, who started police in a 1969 military coup, pledged in the past to erase ethnic divisions by implementing socialist economic and political reforms. But Western analysts said that he instead played ethnic groups against each other to maintain control. Rebel claims involved a coup offensive against his government in 1980 and Staff Barrer has responded by outlawing paganism in the country, according to Western human rights groups, he has killed thousands of Hwegars and basins. Now, even his death or resignation would probably do nothing to end the brutal ethnic bloodshed in the Horn of Africa.

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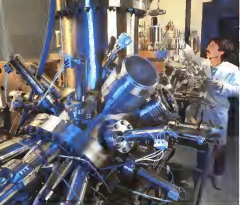
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- Africa
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Northern's Bell-Northern Research Ltd. lab in Napier, further targets

BUSINESS

BECOMING A GLOBAL GIANT

**NORTHERN
TELECOM HAS
HIGH AMBITIONS—
TO BE THE LEADER
IN ITS FIELD BY
THE YEAR 2000**

The stainless-steel shaver that pops up on an ornamental tree in the corner of John Roth's office is more than an unusual piece of office decor. It also symbolizes Northern Telecom Ltd.'s commitment to research and development—the lifeblood of the telecommunications industry. Roth, the company's executive vice-president for product line management, used the shaver at a sold-for-one ceremony for a \$30-million advanced-technology laboratory near Ottawa. Although the ceremony took place a decade ago, most of the research conducted at the lab is still several years away from being applied to the outside world. That kind of long-term

by a projected \$2 billion this year, lifting it into third place among telecommunications manufacturers. The top-ranked company is Alcatel of Belgium, with sales of \$16 billion, followed by New York City-based American Telephone and Telegraph Co. (AT&T), with sales of \$15 billion.

Already, Northern spends more money on research and development than any other company in Canada—a total of \$440 million in 1993 alone. But to overtake its rivals, Northern will have to strengthen its efforts in another key area: marketing. The company's stated objective is to increase its share of the world market for telecommunications equipment to about 18 per cent by the year 2000, compared with its current level of an per cent. That would require Northern to grow by 15 per cent a year for the rest of the decade. Robert Price, a consultant with the Toronto-based Transaction Group Inc., says that Northern is headed in the right direction. Said Price: "They're made of the right stuff lately. And there seems to be no upper limit to the growth of the industry."

Northern's globalization campaign is the latest step in the company's evolution. From its start in Northern Electric Manufacturing Co. in 1910 until the 1960s, the company's main activity was producing Canadian versions of U.S.-designed telephones, clocks and lamps. Later, it became a leading manufacturer of complex business communications systems, which can connect hundreds of users in offices around the world. But Roth, who joined the company in 1969, "In the 1970s, we focused how to do our own design and, in the 1980s, we became a North American company with two-

thousands of sales in the United States. The era we're entering now will see us become an international company."

The man who is leading that effort, chairman Paul Stern, is himself a product of several cultures. Born in Czechoslovakia and raised in Mexico before attending school at the United States, Stern speaks fluent German and Spanish, as well as English. Before joining Northern in 1980, he served as president or chief executive officer of three multinational companies, including Bosch AG of Germany.

One of Stern's first steps at Northern was to search for ways to cut costs in order to boost profits. Among other things, he reduced the workforce by 10 per cent, to 46,000 from 51,000, work in 73 Canadian locations. According to Roth, Stern's international background makes him well suited to the task of transferring Northern—55 per cent of which is owned by ICI Inc. of Montreal, with the rest distributed among about 9,500 shareholders—onto an international giant. "He predicts that Stern will increase Northern's overseas presence by buying more of our competitors," says Roth. "We need more market share."

So far, the switch to Northern's takeover of ICI has been mostly seamless. Michel Gauthier

manages systems. At the same time, ICI's expertise in manufacturing transmission equipment, especially undersea fibre-optic cables, complements Northern's traditional expertise in switching equipment, according to Sven Kalla, director of research at Northern Business Information, a New York-based research firm. Kalla adds that the purchase of ICI represents Northern's best chance to break into the potentially lucrative European market. "The only way to penetrate new markets is to buy an existing player," she says.

Still, some analysts say that Northern's stated goal of becoming a world leader may be overly ambitious. Although the company is strong in the United States, where it ranks second in sales, and has made important inroads in Japan, only five per cent of its total sales are outside North America. In addition, Northern's purchase of ICI has increased the company's debt to \$4.5 billion, 50 per cent of its equity, compared with 29 per cent before the purchase. Roth said that Northern plans to reduce its debt by using money generated by its \$1.6-billion sale of ICI's computer division, its ICL, to Fujitsu Ltd. of Japan.

The company's prospects for increased sales also appear mixed. Northern is the world's leading seller of central office switching equipment. But that market is already well served and is likely to grow by only two to four per cent annually, said Mark Lawrence, a telecommunications analyst with Toronto-based Michael Whelan Ltd. He added that he doubts Northern will be able to maintain its existing lead over AT&T in system-based fibre optics. Said Lawrence: "It's not likely that NAT is going to lose its defenses."

Roth himself is clearly aware of the obstacles that he ahead. "In the 1990s," he says, "it will be tougher to move up the pack." But he added that the company is developing new products that he hopes will give it a competitive edge over its rivals in the United States, Europe and Asia. Much of that work is being carried out in the Napier, Ont., lab where Roth joined the lab 10 years ago.

Researchers there are experimenting with a semiconductor composed known as gallium arsenide, which can transmit light across 10 times faster than the silicon-based chips currently used in electronics. It hopes to bring that new technology to the marketplace before its competitors, its bid to become the world's number one supplier of telecommunications equipment may well succeed.

BARBARA WICKENS

Business Notes

A PRIME CUT

The Bank of Montreal, which since January has eroded three of its major credit lines by making its prime rate, again became the first to lower its key lending rate, to 12.5 per cent from 12.75 per cent, its lowest level since February, 1989. The bank lowered its prime rate before the benchmark, Bank of Canada's rate fell for the 12th week in a row, to 11.5 per cent from 11.75 per cent, which has lasted in two years. The other major banks had not followed suit by the close of business last Friday.

TELLS UNLOADS NOWHILE

Tele Corp. of Edmonton, an Alberta Crown corporation, said it was prepared last October, received an option to sell its troubled subsidiary, Northern Telecom Canada Ltd., back to the provincial government. The province agreed to pay \$100 million to buy back Northern, a 40 per cent-owned telephone manufacturer after Northern officials revealed that the company would lose an estimated \$4 million in the second half of 1993, instead of making a \$15.9 million in that earlier period.

BUSH SAYS THE B-WORD

President George Bush officially acknowledged that the second expansion he began in November, 1992, is over and that the United States is in a recession. Bush said that he hoped that the recovery—defined as two consecutive quarters of declining production—would be said. And he said that he planned to new government, spending to accelerate a recovery.

AT LAST CRASHES

Montreal-based Bombardier Inc. lost a \$330-million contract to sell as many as 30 Canadian jets to Asian Transport Industries Ltd., an Australian airline conglomerate. Amert cancelled a tentative agreement it had signed in June, 1992, because it was dissatisfied with a financing proposal from the Canadian government's Export Development Corp.

AIRCRAFT WORKERS GRIEVED

Toronto-based aircraft manufacturer De Havilland will lay off up to 500 production and clerical workers. As a De Havilland spokesman said, the company is planning to produce as many as 5,300 short work-force to become more competitive and because many had cuts have depressed the industry. That once officials claimed that the cuts are intended to make a center to sell to De Havilland a consortium of European companies.



Roth: "It will be tougher to move up the pack"

a telecommunications analyst with Salomon Brothers Inc. in New York, far see says that the acquisition is "a significant achievement" for the Canadian firm. Gauthier says that he will see Northern, which already owned 37 per cent of ICI, at a better position than most of its competitors to bid for large overseas contracts. Over the next few years, closer of countries, ranging from Germany to South Korea, intend to launch multi-billion-dollar programs to upgrade or install modern telecom-

Merging crystal balls

The outlook for 1991: more hard times

For almost eight years, Canada's economy stalled forward, helped along by strong export sales of moderate cost products, but in the past few years, the economy stalled and then slipped sharply into recession. Many Canadians considered the grim implications behind leaving the numbing statistics. For much of 1996, tens of thousands of people lost their jobs, interest rates rose to their highest levels since the recession of 1981-1982, and thousands of companies either closed their doors or moved to more favorable locations in the United States and Mexico. To expose the malaise for the coming year, Maclean's interviewed a range of business leaders, politicians and economists. Their comments:

ISRAEL (IZY) ASPER, chairman, CanWest Group Inc. and Global Communications Ltd., Winnipeg



I am normally an optimist, but I think this recession is going to be much worse than anybody predicted. We are already seeing cost cutting throughout the broadcast industry in Canada. The watershed is, I think, poor sell orders, kids. It's going to be happy out there. We are conducting a cost review of all of our operations to see what is discretionary and what isn't. To get as out of this, the government should get interest rates down significantly. And in order to do that, the government should announce its own austerity program, to see an industry as fiscal.

WENDY DOBSON,
senior fellow in
management studies
at the University
of Toronto and
former associate
deputy minister of
finance in Ottawa
(1987-90, 1990-91)



The outlook for large companies in Canada in 1993 is quite good. They've learned a lot from the 1981-1982 recession and they are lean. They've avoided large inventory holdings and they have been working like crazy on raising productivity and in-house training. They are exporting into the U.S. market, and I don't expect that the slowdown is going to be prolonged in the United States, as long as there is a diplomatic solution in the Gulf. In that event, oil prices should begin to rise significantly in the

come out of this soul-searching with more certainty. And I think that the fact that we are having this debate about the Constitution may argue well for long-term political and economic stability.

WILFRIED POSLUNS,
chairman, Dylco
Ltd., Toronto



I think 1991 will be a tough year. For the first half of the year, people will be turned off spending because of the GSE Christmas-spending was pretty last month, and overall I think 1991 will turn out to have been a disaster year for all the retailers. I think the retailers are looking before Christmas in the past. For consumers, the problem is not so much a lack of money as a concern about jobs and the future of the country, and whether there will be a war in the Middle East. When you are nervous, you save and you pay off your debts. It's a downword spiral. The worse it is, the worse it gets—it bottoms out. But I think that increased consumer spending will begin in this, and that the recession will begin to happen by the third quarter of 1991.

GRANT DEVINE,
president of
Saskatchewan



The recent failure of international trade talks means that we are fighting a commodity war. It is expensive and it hurts. Prices for wheat should be running around \$5 or \$6 a bushel. Instead, they are around \$3. The cause is international uncertainty. It is dangerous and it

...so that we can
other countries put a
a good record of



as these things—a breakthrough at the General Agreement on Tariffs and Trade, lower interest rates and a lower exchange rate—you'd see Saskatchewan really start to boom.

being left in the industrial heartland, which is disappearing because the sector is not generally cyclical, as the resource sector is. People say that banks should take these through the recession. That is right, but banks also have a duty to protect their depositors. So banks can't afford to make a lot of bad calls. When you come to us with a proposal for a major expansion, we are going to be very cautious because we think you should be cautious. It is our duty to ask hard questions and do some extra probing. That is the tough part right now—sifting out good risks from bad ones.

ADAM ZIMMERMAN, chairman and chief executive officer, *Namaste Forest Inc.*, *Toronto*



We are being battered more than any other sector right now, and it has been going on for the better part of a year. The rest of the world is just catching up with us. I don't see anything on the horizon that is going to help things change. We are not going to get the U.S. government downed to let interest rates come down and perhaps the dollar with it. The government's most precious policy is to keep its foot into the zone. In round figures, the U.S. forestry industry is down about 40 per cent since the Sovietic military is down about 60 per cent since the end of the war. The U.S. economy in 1990. There will be considerable layoffs and readjustments of ownership. There are no easy Canadian forestry companies now, and I think we could see even more consolidation on the future. I don't see anything that is going to change our situation except lower interest rates and exchange rates. That is absolutely correct.

FLETO LAUREN,
President of
Osteo Inc.



We are definitely doing worse than other provinces. In Ontario, those things hammered on last year: revenues from related and cooperative taxes were \$500-million, and the core social services skyrocketed to about \$200 million. We had budgeted for a 10% increase, but we're expecting virtually no growth next year, and a decrease in employment. That is why we need together a recession package of about \$4 billion worth of public works. We are particularly nervous about the downturn in manufacturing, because of the recent number of bankruptcies and the relocation of many firms in the United States. The loss of companies and jobs is particularly serious in the U.S. Free Trade Agreement, but increased global competition is hurting the U.S. market, too.

KENNETH HARRISON
chairman and chief
executive officer,
Ford Motor Co. of
Canada Ltd.,
Toronto.



We are predicting that car and truck sales will improve in the first quarter, as fleet and individual buyers come back to the marketplace to take advantage of lower prices. Now that the GST has replaced the federal manufacturers sales tax, fleet customers are seeing savings of 11 or 12 percent on individual buyers between those and four percent. Foreign car manufacturers will continue to increase their presence in North America.

chevy's says that additional competition predict that innovations of various types will continue to be offered as we move through 1991. We expect some layoffs, but only temporary ones to adjust to inventory demands. In fact, we are going to be spending more money in Canada over the next two years than we have in the recent past. We have committed nearly \$1 billion to future product lines in our Canada plants. So we really haven't backed off, even though the economy has dropped. We have to make sure that we keep investing for products in the future.

GEORGE VASIC,
director of Canadian
economics for IRI
Canada, a Toronto-
based economic
forecasting firm



activity. If the worst news is that we don't believe most organizations will be able to do the difference between the recession and the rebound that is expected to begin by the second half of 1991. We will continue to see unemployment rates, perhaps to as high as 10 per cent during the summer, with only a very slow decline after that. Construction is suffering most right now, as housing starts plummet and the resale market falls. But almost every sector has been affected—there is a blood on every floor. The only bright light in clouds, even if it is a distant one, is that the economy has demonstrated solid growth this year by more than 2.8 per cent. The economy is not in a free fall, but is bogged down by rising oil prices and by long term forebodings, such as Hibernia, the TransCanada pipeline expansion, the heavy oil project in Lloydminster, Alta., and the hydroelectric program at James Bay in northern Quebec.

A TAXING START TO THE NEW YEAR

Like many other businessmen, Calgary district-shop owner Dean Nguyen was hit by a low range of real-estate last week. He

business owners, Nguyen's GST experience was relatively positive. Many questions about small businesses' status were still unclear about which of the hundreds of forms that the self are subject to the bill, and about how to keep track of the tax.

In an apparent effort to prevent a backlash by lawmakers, Revenue Minister LITTO work extended indefinitely the Jan 1 deadline for businesses to register as collectors of the GST. Only businesses that register with ORIS are entitled to rebates under the GST. As of last week, an estimated 130,000 out of 1.4 million businesses had failed to do so.

Owners of small stores say that the city has already imposed an unfair burden on them. In Jie Song, 30, for one, works seven days a week in her parents' convenience store in Wujiang. Song registered with the government last month and received a shipment of GST reform tax pamphlets. But she said that she was still so confused last week that she left almost a bag of rice unchanged for several days and did not collect the tax. Song said that she was

wait until she received invoices from her suppliers before deciding which items are taxable. Song also bought a new, \$100 cash register because her old one was incapable of recording the new tax. "I need the new machine to keep track," Song said.

Large retailers and manufacturers agreed to make the transition more smoothly. The adoption of the former 13.5-per-cent manufacturers has actually led to some price reductions. Keweenaw Canada Ltd. for one, lowered the price of its request by about one per cent. One popular model now sells for \$11,494, compared with a price last year of \$12,545. Prices for most new cars fell by about four per cent. Scott Robert Broadbent, Keweenaw Canada's office-products business manager, "The GST is a much larger tax because it does not produce non-deductible products." But in welcoming the new tax, Keweenaw and other large manufacturers were more cautious in the transition.

5086 TAYLOR



David Peterson: A bold warning for 1991

BY PETER C. MECHAN

N Canadian politicians get dumped rarely and inconspicuously in 1990. David Peterson, the urban Ontario premier whose dedication to civility in public life served the country well, but himself not at all. During his five years as premier of Canada's richest province, he turned Ontario's solid reputation by pioneering innovative social reforms and trying to unify rather than paralyze the province. Then, on Sept. 6, in one of Canada's most astonishing political turnabouts, his party was trounced at the polls and he lost his own seat.

Yet during his time in office, as leader of Canada's largest bloc of independents, he played a crucial—and personally costly—role in attempting to get the Meech Lake accord passed, well aware that constitutional discord could easily escalate into the kind of ugly riotous fight that can break the country apart. His astuteness kept the Meech Lake bargaining site within the conference rooms, but the voters had lost confidence in the process and, when Peterson called an unnecessary election, they turned on him.

"The voters have said to figure out," the former Ontario premier told me recently in his first interview since the defeat, "the difference between making a very tough decision in politics, which you have to live with, and arrogance. It gives the dividing line to that of people agree with you, you're a great leader, and if they don't, you're an arrogant son of a bitch, because you don't listen to them. The truth is, there has been enormous consultation going on all the time. We beat our brains out consulting, and people still said, 'You didn't consult with us.' What they were really saying was, 'You didn't agree with us.' Certainly both Meech Lake and my trade were in the public domain for a long time, though in the end I didn't understand either issue, because they both became so symbolic and value-laden."

Peterson, who has taken no public stands since his defeat, has been quietly mulling over public opinion, and doesn't like what he's hear-

'What Canada is going through now was completely predictable. Everybody knew it was going to happen except Clyde Wells.'

ing. "I have never in my life encountered so many hard-core opponents," he says. "You are a proponent of almost unresolvable problems and you have the same that, while the country could face one or two at a time, when you have so many, things are just going to get worse. The problem is that there's no one idea a majority of Canadians are willing to buy into these days. We've been struggling for 125 years to define what is a Canadian, and sort of patched it over. It's not a pretty issue because everything is suddenly up for grabs."

What worries Peterson most is the decline of the coalition parties which could resolve the differences. He blames the rise of such regional phenomena as the Reform party and the Bloc Québécois for destroying the political system and believes that it's dangerous because the emotional appeal of these new movements is their hostility against some other part of Canada. "The problem," he says, "is moving out in the political system but in the media. It's always instant-gratification time. Anything can be a hero in this country if he millenniums someone in power. The Prime Minister makes a speech which some guy demands as a writer and says it's true—what's that guy gets the play. The media are pushing back the parameters to

define the more outrageous and more confrontational, while thoughtfulness is no longer getting through the system."

Peterson credits the "Student Charter of Rights and Freedoms" for "empowering the disempowered," but stresses that it created expectations as politicians could meet, and predicts that political pressure from now on are going to be much harder. His own, he admits, was cut short by the Meech Lake fiasco, especially his gesture of offering to give up an Ontario Senate seat. "It was a Friday afternoon and everything was falling apart," he recalls. "Newfoundland wanted some assurance that meaningful Senate discussions were going to go on. I went back to my colleagues and told them I needed a really crazy idea to save the talks from going down the tubes. Just before I suggested the Senate change, I phoned [my wife] Shirley and told her I'd probably lose my job over it, though I'm not sure I really believed it."

"Why should we have had to take all that abuse?" he bemoans on. "Why should we have had to sit there and be dictated to by Newfoundland, a little province that we're supporting?" What Canada is going through now was completely predictable. Everybody knew it was going to happen except Clyde Wells, and he just refused to believe it." Even though his robust support for Meech was a major factor in his defeat, Peterson has no regrets. "I wouldn't have done it any differently," he says. "It was the only choice to save the accord, and we damn well did it."

He stood with Brian Mulroney on Meech but Peterson is appalled by the GRT and free trade. "We had a bill," he laments. "We had everything good for us, if we just kept our mouths shut. We had a bill to let the provinces sign with the U.S. and suddenly free access to its market, with none of the safeguards. In the Free Trade Agreement, we got nothing."

Relieved to be out of the heat of it, Peterson has just to decide what his personal future has had numerous offers, including a university presidency. "I've made a decision for the moment not to make any decisions," he says, although he has agreed for now to lecture part time in politics at Toronto's York University. "I'm not planning any political resurrections, though at the risk of sounding arrogant, I believe I'm one of the few politicians with any currency in Quebec, and I'm prepared to spend it for the right cause at the right moment. When you're lost in politics, you go from being a hero to being a loser. But I won't let my self-worth depend on political success or failure. I will think politics is the highest calling."

Despite his own defeat, the failure of Meech Lake and Canada's precarious state, Peterson remains optimistic about his own and Canada's future. "There are cycles in history and cycles in society," he concludes. "For better or for ill, one, we'll re-examine ourselves as never before. We just need a lot of people to pick themselves up and go across the border to Detroit, stand in the middle of it, look back at Canada and wonder why we screwed it all up. As far as we know, this is a country I will always fight like hell for."

PEOPLE

ALL THE RIGHT MOVES

Shannon Tweed, the Newfoundland-born former girlfriend of Playboy editor Hugh Hefner, says she is enjoying her latest success. Winning the Playmate of the Year title in 1982 was just the beginning of a three-business career. Tweed, 33, who has had roles in the soap operas *Falcon Crest* and *The Days of Our Lives*, is now playing *Venus in Furs* by *Night*, a 1930s action series filming in Vancouver. She added: "Being the Playmate of the Year was good for me. A lot of the girls don't get anywhere. But, of course, you don't know what roles you didn't get."

Tweed: "A lot of girls don't get anywhere."



Love stories

Bollywood actor Devdas Quaid is achieving his success. In his latest movie, *Can't Get the Paradox*, Quaid plays a man named who is a student during the Second World War. Says Quaid, 28: "It's a story that actually occurred in high school and a story that should be told. And I thought it was a very good love story." Quaid, whose mid-90s days are over, has a love story of his own—his wife, actress Meghna, 27. Devdas is a perfect Quaid. "Marriage is important. We love each other. When two people love each other, they must solve a family."



Quaid: The mid-90s might be over

IMITATING LIFE ON THE STAGE

A new play by Linda Griffiths, author of the award-winning 1980 play *Maggie and Pierre*, is about a couple in their 30s who, after only a few months together, find themselves expecting a baby. The Darling family, which will over the 37-year-old playwright, opens in Toronto next week. Best Griffiths says that the abortion is necessary in a feminist era in many of the people that she has talked to. Says Griffiths: "The couple is so ill-equipped and absurd that I think that's why a lot of people see themselves in them."

Reliving the struggle

The closing of the movie *The Long Walk Home* was also a painful experience, says actress Whoopi Goldberg. Set in Mississippi, Ala., in 1955, the new movie traces the experiences of a family during the bus boycott that affected the city for a year. Goldberg, who plays the wife to the white family, gets caught up in the civil rights movement when she decides to leave the boycott and walk the 18 miles to work. Some scenes had to be shot separately. Said Goldberg: "There were crowd scenes where people were screaming 'nigger, nigger, nigger' for several hours." Goldberg, 40, who recently played a prostitute in last year's gay movie *Boys n the Hood*, and who was on Oscar nomination for her role in *The Color Purple* (1985), added: "This is about what happened to us. During the filming of some of the coarser scenes, we would find ourselves sort of embracing one another. The director would say 'Cut!' and people would suddenly just go and grab onto somebody."

Goldberg: "This is about what happened to us"

SOME SCAT SINGING

The five members of the rock band The Tragically Hip like Canadian home droppings so seriously that they named their new album after them. Gord Sinclair, Bobby Larson, Johnny Fay, Gord Downie and Paul Langille, all from Kingston, Ont., will release their second album, *Road Apples*, next month. Said band and backup vocalist Sinclair of the album's odd title: "Everyone in Canada knows what road apples are and we thought that it was a real funny Canadian thing. We want the album to reflect that we grew up in Canada." Added Sinclair, 27, more thoughtfully: "I think that there is a new attitude towards Canadian homes because there are so many good ones now. It's no longer 'They're from Canada, it's 'It's Hip, they're from Canada too.'"



WARS ON ICE

WITT AND MANLEY
COMPETE FOR BIG
MONEY WITH
DIFFERENT STYLES

I was a swift, menacing and dramatic performer, featuring two of the world's greatest skaters: the bewitching German Katarina Witt and the handsome American Mike Bolanos. She played Carmen, an earthy and sensual gypsy girl, while he portrayed Don José, a gallant but love-struck soldier. Accompanied by music that ranged from brooding to thunderous, Bolanos's Don José pursued Witt's Carmen around the ice, depicting his stormy emotions with dancing zomps and spins. When he finally caught her and pinned her violently against the boards during a performance late last month at Los Angeles's Great Western Forum, the crowd gasped. When he pulled a dagger from his belt, the crowd gasped again. Then Bolanos's Don José mortally wounded his beloved Carmen and left her dying in centre ice. There was a moment of total silence, then enthusiastic applause.

Rivalry. The upcoming five-episode Carmen routine is the climax of a new two-hour ice show entitled *Katarina Witt & Brian Boitano—Shaking It*, which will appear in Toronto on Jan. 29 as part of a 25-city North American tour. By combining their talents, Witt and Boitano say, they are hoping to turn their gold-medal performances at the 1988 Calgary Olympics into lasting careers and personal fortunes as professionals (page 40). But it is launching a new show, Witt and Bolanos have taken the greater risks than most other top skaters who, in the past, have usually joined such established productions as the Italian-based Ice Capades after they turn professional. Indeed, Canadian skaters Elizabeth Manley and

Brian Orser, the silver medalists at the 1988 Olympics, have both enjoyed lucrative professional careers with touring shows (page 44).

Stuntman. Besides being a showman for two superb skaters, the Witt-Bolanos production represents a bold individual challenge to the veteran promoters: large entertainment companies and corporate sponsors who have traditionally staged ice shows. The boyish-looking Bolanos, his glamorous partner Witt and their cast of 12 elite skaters from Canada, the United States, the Soviet Union and Spain have created a high-quality show that straddles great

individual skating rather than the chorus lines and elaborate jags of such traditional shows as the Ice Capades.

For Bolanos, the venture is a daring personal gamble. He and Manley's last show when he turned professional after the 1984 world championships in Budapest, he was determined to have his own show in order to preserve his integrity as an athlete and an artist. As a result, he spent almost two years looking for a financial backer and developing ideas for a new show. Said Bolanos, "I knew I would like skating in a conventional ice show where the

audience comes to see the clones instead of the skaters. I would rather have quit than do something just to make money."

Instead, Bolanos, Witt and the talented cast around them have created a show that is athletic and artistic, big and sexy, above all, it is a bold departure from tradition. As the show opens, the skaters are introduced to the audience, individually or in pairs. They glide across a darkened ice surface, illuminated only by spotlights. Before the lights come up and the individual routines begin, audiences are treated to a taped reading of a dramatic essay on the evolution of skating, written by the 19th-century French poet Alphonse de Lamartine. "To feel yourself carried along with the speed of an arrow and the graceful undulations of a bird," Lamartine wrote, "was such an intoxication of the senses and such a voluptuous delirium of thought that I cannot recall it without emotion."

But it is Witt who lights up the show with her show-stopping beauty and earthy theatricality. The first half of the show consists of a series of unadorned performances. In the second half, the skaters portray street people hanging around a diner. In the second act, Witt portrays one of the bar flies at a door called Tom's Place. Bolanos enters playing a blue-collar character who expresses all the women with his snapping fingers and grunting haps. While the other women succumb to his overtures, Witt leads him around the ice with a series of teasing, flirtatious moves before dragging him off and returning to the bar. During the second act, she also performs a solo number dressed as Mack Sennett's, a slinky black corset, the garter and a lettered jacket. Backed by thrummy and exotic pop tunes by the singer Prince, Witt alternately struts and glides beneath soft and sensuous crimson light.

Competitive. Although they are two of the most talented skaters in the international circuit, Bolanos and Witt have entered an intensely competitive business in which there are no guarantees of success. Figure skating as professional entertainment has long been dominated by the 34-year-old Ice Capades, which is part of the Minneapolis-based International Broadcasting Corp. and is now in the pocket of a 16-city Canadian tour. The entertainment conglomerate also owns the Harlem Globetrotters, amusement parks, dinner theatres and skating rinks. For the past three years, Ottawa's Elizabeth Manley has been the guest star of the Ice Capades, although she is leaving the show at the end of the current season and plans to launch her own show.

Some veteran ice skating promoters say that the Witt-Bolanos show may be courting financial failure. Ice Capades marketing vice-president Thomas Ahrensman said that shows built around individual skaters like Bolanos and Witt have only occasionally succeeded. The most recent example, he said, was the 1988-1990 North American tour by the successful British



Manley in Vancouver last week: a creative career with existing shows

Witt and Bolanos: a show that is athletic and artistic, big and sexy

LIFE AFTER CALGARY

KATARINA WITT ENJOYS A RICH FREEDOM

Katarina Witt, the reigning Olympic women's figure skating champion, curled her lower lip outward in an exaggerated pout. "Enough of politics," the German beauty said as she lightly accented English. "Let's talk about skating." It was 8:30 p.m. on a Wednesday, and Witt was sitting at a table beneath the seats at the Cumberland County Civic Center in Portland, Me. Although she had already skated for more than three hours that day, Witt was preparing for a third practice session.

The hectic training was part of the final rehearsal for opening night of a skating show featuring her self, 1988 men's gold medalist Brian Boitano and a cast of 13 other top skaters, including three Canadians. Despite her preoccupation for skating over politics, Witt told *Maxwell's* that the November, 1989, collapse of East German communism has drastically changed her life. She added, "Freedom is so wonderful. I can grab my bags and jump on a plane whenever I want. You get used to it so fast that you can't imagine life was different before." Now, she is touring North America in a skating show entitled simply *Katarina Witt & Brian Boitano—Skating*.

Freedom: Witt has newly acquired freedom. Witt says that she has only begun to grasp the commercial opportunities available to her as a result of her outstanding gold-medal performance at the 1988 Calgary Winter Olympics. In October, she hired Jefferson Pilot Sports & Entertainment, a major syndicator and marketing company based in Charlotte, N.C., to set up a national endorsement opportunity. She also has formed a company called *Art Arts and Entertainment*, based in Frankfurt, and brought in two partners, German entertainment producers Elisabeth Wegmann and Dacher Dörs, to help manage her business efforts. Jefferson Pilot's executive director of programming, Michael Heng, said that Witt uses a literary database for the skates. Declared Heng: "There are tremendous international opportunities out there for her. The endorsement package we're working on has the potential to be one of the best in the world."

Since the Calgary Olympics, Witt, 25, has noticeably appeared at a set of star in ice shows that has become most closely with the 27-year-old Boitano, a native of Bensenville, Ill. They have collaborated on two television

specials and the skating show, which first toured the United States last spring. Despite their close working relationship, and playful flirting on and off the ice, Witt says that she and Boitano are not romantically involved. "We're just friends," says Witt. "I have no boyfriend at the moment. One day, I would like to have a serious relationship and start a family. Now, I am too busy to do anything but skate."

Although she dined to international acclaim

as apartment and a car that usually required a 10-year wait under East Germany's Communist regime. Unlike other East Germans who became world champions, particularly the swimmers and track skiers, Witt was the queen of a glacial sport. She said, "Mostly it was when she retired from amateur competition following the 1988 world championships in Budapest, she could have embarked on a potentially lucrative professional career."

But the East German authorities tried to persuade her to continue her general arts education at the post-secondary level. Witt said that they withheld travel visas, sometimes for weeks at a time, attempting to discourage her from pursuing professional opportunities. She added, "Everything was very strict. It was so complicated. That's why."

As a professional skater, she has worked most closely with Boitano, whom she first met at the 1983 world championships in Helsinki. Although they encountered each other several times at subsequent international competitions, they did not become close friends until after the

1988 Olympics and world championships. In fact, Witt traces the origins of their friendship to a late-night concertation they had in 1988 during the 30-city *Tour of World Figure Skating Championships*, an annual show featuring the top skaters and sponsored by *Manegeth*-based promoter Tom Collins. Said Witt: "I was sitting on the floor of my hotel room, talking. The whole world thought we were the happiest people in the world. There were a thousand people who wanted to get better off us and be our managers. Everyone was a friend." But, she added, "We were both lonely. We didn't know what we wanted to do."

Problems: Their first opportunity to collaborate professionally occurred during the fall of 1988, when *Art Arts and Entertainment* agreed to create a one-hour special around Boitano. Titled *Games of Ice*, the program was broadcast, including the United States and Canada that December. Witt said that she had to negotiate with the East German authorities for six months before receiving permission to appear in the special. Despite these problems, both Witt and Boitano

said that they were pleased with the results of their combined efforts. Said Boitano: "We loved it so much that we decided to do other projects together."

Was utilized their next venture, a skating movie based on the popular opera *Carmina*, which was written by the French composer Georges Bizet in 1873 and 1874. The opera, which is set in Seville, Spain, in 1830, involves a soldier named Don José who falls in love with a gypsy cigarette girl, Carmen. When she

sings, *Carmina* on ice will be shown on the cable television network on Jan. 27.

Most of the movie was shot in Seville, but only after prolonged negotiations between Witt and East German authorities. "They kept asking us why I wanted to be in the airport as long as I should be in school," she recalled. She said that she first applied for an exit visa in January, 1989, and obtained one only after agreeing to shoot several scenes in East Germany. Because of the government's opposition, she

said via. Said producer Stanley Feig: "We were going to do the first show earlier, but we had to go through the East German bureaucracy, which was very difficult."

Although Witt's involvement in the movie ended almost three years ago, her new American managers say that they are confident that the skater will handle the beauty, talent and charm to become an international success as a professional skater and that her company is planning to use Witt as the anchor for what it calls a "big picture of skating," which will

consist of three competitive events for professionals with prize money more than double the current best prize of \$45,000 available at the National Women's Professional Figure Skating Championships. Best said that the competitions will likely be held in Canada, the United States, Europe and Japan during the winter of 1991-1992. He added that Jefferson Pilot is now trying to select appropriate products for Witt to endorse.

Figures: As her professional business begins to expand, Witt acknowledges that her personal life has changed drastically as well. She said that she travels almost constantly to meet business commitments or make appearances. She maintains an apartment in eastern Berlin, but she says that it is sparsely furnished because she rarely spends any time there. She said that she has traveled her *Boitano-Built* Laid out for a German-made Golf, with personalized license plates—and the rigors of amateur competition for the frequently more demanding life of a professional skater.

Witt said that she used to train four to seven hours a day so that she could perform three-minute and six-minute programs at the world championships. Now, as a professional, she said that her training schedule can vary depending on whether she is traveling or whether there is an event.

She is available. She appears for an average of 25 minutes during a two-hour show and performs several combinations of varying lengths, some of them solo and some with partners. Witt says that she prefers the variety available to her as a professional and adds that, for now, he's only objective is to continue skating. Said Witt: "At the moment, I'm so busy skating that I don't have time for anything else." For skating fans around the world, that should be welcome news.

FRANCE JENNIS in Portland



Witt (above and right) with Boitano and Boitano opportunities

Photo by [unreadable]



spurned her for a matinee, Boitano he finally states her during a podium act. Boitano and Witt played the two leading roles, while Canadian figure skater Brian Boitano played Katerina. Witt's role was played by actress Sandra Bock. Developed the skating scenes. The film, entitled *Carmina on Ice*, was shown in the United States on the spring of 1989 by the American pay television network Home Box Office, and, in September of that year, at three states was being shown for showcasing individual achievement in classical music-dance program.

shooting of *Carmina on Ice* was delayed until November, 1988. As a result, Witt worked with a mixture of uncertainty and trepidation from Spain as a popular actress topped the German-made *Carmina* regime in her homeland.

Despite the political changes that swept her country, Witt said, she several months she encountered difficulties pursuing her career in the West. The first version of *Katarina Witt & Brian Boitano—Skating* was delayed until last spring, beyond the season for skating shows, because she had problems obtaining a

LOOKING OUT FOR NUMBER 1

KURT BROWNING DEALS WITH FAME

It is an extremely difficult, potentially dangerous exercise, and only one man, 34-year-old Kurt Browning of Carlson, Alta., has ever performed it in competition. It is a quadruple toe loop completed in the air three-quarters of a second before touching down. According to Browning's agent, Kevin Alderton, the dangerous six points of the jump became evident when it was seen in slow motion, captured by a camera that records 300 frames per second. The slow film shows Browning "locking on" one foot with each force that he builds bends over at nearly a 90-degree angle. Still, while performing for a Dettl & Co. commercial at a Toronto arena in early December, Browning performed four quadruples in the space of a few minutes. Then, just to ensure that the camera crews had enough exposure footage for a life-sized television advertisement, the declining world champion performed five backflips.

Performing the quadruple toe loop is the shiniest jewel in Browning's ice-skating crown. In a sport plagued by scandals and other activities to become wealthy, although his earnings go into a trust fund in order to preserve his amateur status. His contract with Toronto-based Coca-Cola Canada Ltd., for use, has made him part of an exclusive group of athletes and entertainers who endorse Dettl & Co. in North America. Among the others are hockey superstar Wayne Gretzky, pop star Elton John and model Jerry Hall. Besides the act, Browning's growing list of off-ice projects includes a one special scheduled for broadcast on Feb. 16, an autobiography that will probably be published next fall, a one-hour video profile, *Jump*, and a documentary that Edmonton-based Great North Productions is filming. And to make Browning's coach, Michael Jansz, and that back-to-back jumps are always difficult, but that Browning added a new element by performing two jumps from the same foot. Said Jansz: "It's the role of a world champion to bring new things to the sport."

Despite the increasing demands on his time, Browning told *Maclean's* he will still skate about

daily. And in early January, he began training seriously at Edmonton's Royal Olympic Club to defend his Canadian and world titles. Said Browning: "I'll shut down the interviews, the endorsements and the travel." He said that at the national and world championship levels, the competition is too intense to allow for compli-

campaings in Skeleton between Feb. 4 and 10 and the world championships a month later, the start of his coach and a new choreographer, Brian Poirer of Vancouver, will be working on fresh elements for Browning's routine. Browning's training consists of three one-hour sessions on the ice every day. But his off-ice business activities have made it difficult to find adequate training time. Said Jansz: "There's tremendous stress in Kurt and his skating. We have to cope with it."

Interview: During the first two weeks of December, Browning was preoccupied with his six television special. After rehearsals in Toronto, he and a cast of skaters spent a week filming in central Alberta, near his home town of Cardston (population 360). CBC will broadcast the special after the Canadian championship and before the world event to take advantage of the public attention generated by the two competitions. Browning's video, entitled *Jump*, focuses on his development as a skater. Browning usually winds up a figure skating program



Browning at the higher levels, the competition is too intense to allow for complacency.

as his home town at age 6 in order to improve his skating so that he could play hockey. However, his natural talents as a skater quickly became evident. By the time he was 18, his parents were driving him twice a day to Rocky Mountain House, 27 km away, for figure skating lessons, and when he was 16 he moved to Edmonton to train under Jansz.

Started: Browning already started the skating this season while competing at the Nations Cup in Garmisch, Germany, in mid-November. He said that he was the competition partly on the strength of a maneuver called a triple Salchow-triple loop combination, which had never been performed publicly before. Browning's coach, Michael Jansz, said that back-to-back jumps are always difficult, but that Browning added a new element by performing two jumps from the same foot. Said Jansz: "It's the role of a world champion to bring new things to the sport."

In the weeks leading up to the Canadian

in his home town at age 6 in order to improve his skating so that he could play hockey. However, his natural talents as a skater quickly became evident. By the time he was 18, his parents were driving him twice a day to Rocky Mountain House, 27 km away, for figure skating lessons, and when he was 16 he moved to Edmonton to train under Jansz.

Despite his accomplishments and the fact that they have brought him, he remains an anti-scoring prodigy from. When he had a few days off in Los Angeles last spring, he participated in a light scrimmage with the NHL's Kings, and described the experience as "a drive, come true." But, for the next three months, Browning will be setting new all-time records in competition on home ice national and world figure skating events. And that comes his opponents and his fans can likely count on some dazzling new moves from a masterful skater

D'ARCY JENKIN

Glasnost, Perestroika, and Gray.



Photo: Richard Law

Maclean's puts you front row centre as the Curtain rises

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MONEY ON ICE

TWO SKATERS TURN SILVER INTO GOLD

He was considered one of Canada's best hopes for a gold medal at the 1988 Calgary Winter Olympics, but she was expected to win a third-place bronze. But neither Brian Boitano, an Ottawa's Penetanguishene, Ont., nor Ontario's Shalaneley, Manley started as favorites to give Olympic expectations. Manley through his four-star program, Boitano stepped out of a triple jump a fraction of a second early, a mistake that cost him the top prize and, he says, haunted him every day for the next 10 months. But the other weekend Manley skated almost flawlessly to capture a second-place silver medal. As for Boitano, Boitano, 25, and Manley, 35, have followed different paths. But both have prospered. Manley says that she has "turned silver into gold" while Boitano told Manley that he has earned \$1 million a year since the Calgary Olympics.

Contract: After retiring from senior team competition, Boitano joined the Stars as a free agent organized by Glenard-based International Management Group Inc., the world's largest sports marketing and representation company. He also signed several lucrative product endorsement contracts and starred in his own TV special. For his part, Manley is currently completing a three-year contract as the guest star of the Hollywood-based Ice Capades, the oldest and largest of the American professional ice-skating shows. She has starred in three TV



Orser at the Olympics; Manley (below) in her pose

specials, one of which was broadcast by the CBC. Manley, 31, is well known for her roles in dance productions, and she also stars in a doll, and she has published her autobiography, *Thawing Up*, ghostwritten by Lisa Caccione O'Grady. In the book, Manley candidly discusses several personal crises, including her decision to abort a planned marriage in July, 1990, to Paul Henderson, a Minnesota-based producer of sports and entertainment events. Manley told Manley that she also saw Henderson as an person only once in the 12 months before they were to marry, and feared that she would become an "outsider" and "loser."

Since retiring professionally, Manley says she has lived out of suitcases and hotel rooms. She gave up her Ottawa bachelorette apartment and now uses the Ice Capades head office in Hollywood as a mailing address. Her three-year ice-

capades contract with Ice Capades Inc., Manley and her Los Angeles-based agent, Michael Rosenberg, plan to launch their own skating show—it will appear, starting next fall, in theaters with stages measuring at least 12 meters by 24 meters—as a huge leap to accommodate a street of vertical ice. She says that she also wants to study acting. She says Manley, 31, like comedy. I see myself as a Goldie Hawn-type actress."

Success: Like Manley, Boitano has maintained a hectic pace as a professional. Besides NBC's *Stars on Ice*, which features former national world and Olympic champions, Boitano has also appeared in shows at U.S. theme parks and resort hotels. Last year, Boitano was shocked that there was so much work for them.

Boitano's amateur success also led to several lucrative endorsements. He recently completed a three-year contract with the National Trust Co. that involved news paper and magazine advertisements, as well as appearances at company functions. He has also done similar work for the Campbell Soup Co. Ltd. and new Canada Ltd. For the past six months, Boitano has cut back on his performances to spend more time in Toronto, where he now lives. He has also founded his own company, and at October he put on a show, *Boitano's Northern Lights*, which performed in Belleville, N.W.T., and Whitehorse, Yukon.

As a professional, Boitano says that he is no longer preoccupied with the silver medal he won at the 1988 Winter Olympics in Calgary that cost him a gold medal. "Maybe I would have made \$2 million my first year after the Olympics, but who could I trust, I state, I state, I state to do anything I love." For his part, Manley and that her professional career has been equally rewarding. "I'm enjoying what I'm doing," she says. "I'm not sitting on a gold medal and just waiting and that they will be performing for several years' part before they hang up their blades."



Orser at the Olympics; Manley (below) in her pose

SPORTS

Return from exile

Ben Johnson prepares to compete again

For two lonely years, sprinter Ben Johnson has bled to make a comeback from banishment. After years of the 1988 Summer Olympic Games in Seoul, the International Olympic Committee stripped the Canadian athlete of the gold medal he won by running the 100-m event in a record 9.79 seconds. The International Amateur Athletics Federation (IAAF) also banned him from international competition for two years. Despite his exile from 1988, Johnson returned in January, 1990, appearing

competitions. Track-and-field experts said that Johnson must perform well to attract potential sponsors and track promoters, who pay high appearance fees to attract international stars. Still, Johnson has already been signed for future appearances that include the Jan. 18 Seoul International track meet in Los Angeles, where he will reportedly receive \$25,000. Alvin Prus, chairman of the Los Angeles meet, told Manley that Johnson's fee "is the biggest money we have ever paid any athlete, but I think it's worth it." On Feb. 12, Johnson is scheduled to run in a meet in Osaka, Japan.



Johnson (left): Seagraves' fans waited to learn whether he is still the fastest man

regularly at a track-and-field center on the northern outskirts of Toronto, where he eagerly sought to regain strength and speed without injury on performance-enhancing drugs. Barring any last-minute changes of plan, Johnson will return to competition this Friday at Cops Coliseum in Hamilton, where he and four competitors will meet over 50 m. With the drug of the sprinter's period, Johnson, 29, is expected to explode once again from his starting blocks and, at about six heart-pounding seconds, the world could learn whether Johnson might still be the fastest man alive.

The brief days of time will be of critical importance to Johnson, and to the sports promoters who hope to capitalize on his return to

where he may receive as much as \$15,000. Johnson said not only as Johnson has declared that he is determined to come day best his ex-husband, Carl Lewis. Lewis, a U.S. sprinter who did not compete in Hamilton on Jan. 11, was awarded the 100-m gold medal in Seoul after Johnson was disqualified. Beyond that goal, Johnson's Toronto-based lawyer, Edward Poznanski, said, his desire is given by a "desire to prove once again that he can be the best in the world."

Still, Johnson's planned re-entry into competition attracted worldwide interest, with reporters from more than 50 countries, including Canada, the United States, Britain, France, Germany, Italy and Japan, requesting access

to the meet. As well, television companies from Japan, the U.S. and Canada, including The Sports Network and New York City-based ABC, arranged to cover the event. In Canada, the CTV network planned to provide live coverage of the meet, which is scheduled to begin at about 10 p.m. local time. According to recent reports, Johnson will receive \$10,000 for his appearance in Hamilton. Meet chairman Donald Boies declined to discuss Johnson's fee. But he said that he was able to keep it within the meet's budget because Johnson wanted to launch his comeback in Canada.

In the Hamilton race, Johnson, who has successfully passed six tests for steroids during the past year, will face a stern test from an international field of top-ranked runners, including Andre Cason, 22, of Florida, the 1988 world sprint champion over 100 m, and Mike Smith, 25, who twice in California won Lewis and who was ranked number 1 in the world last year over 50 m. As well, some track-and-field experts said that the Jamaican-born Johnson may not be in his best as he said to be. They suggested that he may have passed his athletic prime and might never be as fast as when he was using steroids. Others predicted that Johnson's long absence from competition would cost against him. Said Paul Galt, assistant director of the Hamilton meet: "I do not think he can be as sharp as he was simply because he has not been competing."

Despite such doubts, Johnson's return to competitive running was an eagerly anticipated event: it is international track and field. His positive test in Seoul for steroids, anabolic steroid that can provide enhanced muscle development, showed that Canadian clean and cost-free as the legitimacy of other athletes—and their world records—Johnson's disgrace also led to the formation of a jointly appointed commission of inquiry under Ontario Chief Justice Charles Doherty, which held hearings across Canada for more months in 1989 to investigate illegal drug use by Canadian athletes.

In his 328-page report, released last June 28, John Manley, co-chairman, stressed that athletes for drug use by athletes and that sports governing bodies had failed to deal effectively with the problem. His report recommended that governments make anabolic steroids immediately to obtain their use, establish more effective doping controls and appoint penalties for drug use. Doherty's report also recommended that Johnson, who had been banned for life from competing for Canada, be reinstated following the IAAF suspension of his suspension. Both the IAAF suspension and the Canadian Olympic Association (COA) lifetime ban were lifted last September.

Johnson's disgrace also led to the breaking of his 12-year-old partnership with track coach Charlie Francis, who told the Doherty inquiry that he encouraged Johnson to use steroids because, according to Francis, the drugs are

money used by international track-and-field stars. Paterson said that now, "Charlie Francis is not involved in Ben's life any more, since he lives in New York, France, whose membership in the Ontario Track and Field Association was suspended following the Dohi inquiry, which Johnstone said, and told reporters that he expected Johnstone to be nearly silent as ever while he re-enters competition."

Under his new coach, Lorenz Bergqvist, former coach of the women's track team at Louisiana State University, Johnson has been training hard for a busy racing schedule. Along with the Los Angeles and Ontario meets, Johnson is scheduled to compete in indoor events in Ottawa on Jan. 28, in Saskatoon, where the Canadian indoor championships will be held from Feb. 16 to 17, in Karlsruhe, Germany, on Feb. 24 and in Baden, Germany, on March 3. From March 10 to 10, he is scheduled to compete in the world indoor championships in Seville, Spain. Paterson said that Johnson has also signed for an outdoor race on Aug. 2 in Malmö, Sweden, a race that already has agreements that could produce a confrontation among Johnson, Lewis and American Leroy Burrell, the current number 1 sprinter in the world. Johnson's ultimate goal is the 1992 Summer Olympic Games, to be held in Barcelona.

With the prospects of a new track career opening up, commercial interest in Johnson, which evaporated after he failed to qualify for the 1988 Olympics, has been renewed. Paterson said he is a former sponsor, the Italian sportsman Sam Danova, for one, has expressed interest in having Johnson wear his label again. As well, Paterson said that Johnson has signed an agreement with SportKas, a Grimsby, Quebec manufacturer of inextensible ski racks. But Paterson said that the same commercial companies interested in having Johnson endorse their products are holding back. "We recognize that the vast majority of them are willing to see what Ben does in the track," Paterson said. "I think that when it comes to commercial value, Ben still has to prove that he can run well."

As the case time, there were signs that some athletes and officials were divided over the prospect of the once-disgraced athlete's return to competition. Some said that some of the athletes he talked to were "disgusted" that someone who had dragged the sport into disrepute is at one of a sudden getting all the attention. "But Carol Anne Leithen, president of the CW—the official who reentered Johnson's gold medal in Seoul—and that Johnstone has suffered enough," she added. "The public humiliation he's lived through is a punishment." As a result of that, when Johnson launches himself down the track in Hamilton, he will be seeking vindication of his determined struggle to make good again. And he will be seeking it with the approval and evidence of whether he is still a powerful runner—and whether he can once again be a great one.

JAMES BRACON



Team Canada in victory: a stunning reversal after an uneven performance

The Comeback Kids

Canada wins world junior hockey medal

Despite a roster of powerful players, Canada, which won the world junior hockey championship last year in Finland, had all but resigned itself to second best last week when it suffered a 6-5 loss to Czechoslovakia in the 1990 tournament. But the next night, Poland, trading the Soviet Union 5-4, called to take the game—converting the Friday night match between Canada and the Soviets into the gold-medal contest. Then, in a tensity-fueled battle, the Canadian team triumphed with a 3-2 championship victory over the Soviets in a goal by defenseman John Sauer that brought the crowd in Saskatoon's Saskatchewan Place to its limit to wild celebration.

As they had in three of the earlier six games that they played in the eight-nation tournament, Team Canada started strongly but faltered. After taking a 2-0 lead in the first period, they allowed the Soviets to tie back to a 2-2 score by the third. Then, Canada retired back with Saskatchewan's Slater Hoeking a closing shot and sending the puck into the Soviet net in the final minutes of the game.

It was a stunning comeback for a team that often played unevenly. After an easy 6-0 victory over Switzerland and a 4-1 tie with the United States, Canada fell behind the Soviet team in the standings. In contrast, the Soviets systematically defeated the United States, Norway, Sweden, Switzerland and Czechoslovakia, remaining undefeated until they tied with Poland.

But the Soviets, the defeat was a blow to a hockey program that some experts say is in a

transition because of dramatic political chaos. As well, Soviet coach Robert Chernov and that young Soviet player now motivated by a desire to win National Hockey League contracts. Indeed, the tournament, which was played in Saskatoon and eight other cities throughout the province, provided a showcase for the talents of about a dozen outstanding teenagers, and many of them may soon be at the top. One dominant player was Canadian centre Eric Lindros, a Toronto native, who is expected to be the league's No. 1 draft pick for the 1991-1992 season. By the end of the tournament, the 17-year-old, who plays for the Ontario Generals of the Ontario Junior A Hockey League, was the second-ranked point scorer, with six goals and 21 assists. As well, six scouts were watching a number of other players, including U.S. forward Doug Weight—the tournament's top scorer, with 18 points—and the Soviet Union's Phil Bure.

Canada's coach, Dick Tada, far too, said that with the relaxation of travel restrictions in the Soviet Union and its former Eastern European satellites, there will be an increasing flow of talented hockey players to the NHL. He added, "That means we'll see better Russian and Czech players because they can now aspire to it, too. Canada will have to stay hungry to keep up." Still, Team Canada's devastating road up victory seemed to be proof that the appetite of Canadian players for success is as voracious as ever.

BRAD BRADY with DALE KRISTEN in Stockholm

SPORTS WATCH



Real men do figure skate

BY TRENT FRAYNE

When Kurt Browning was named Canada's top athlete of 1990 the other day, some people wondered how the vote would have set with Lorne Conacher, the old lion of Canadian sports the award was named for. Browning is the first figure skater to win the Conacher honor since its inception in 1952. One was called the Big Bear, a guy who did just about everything on his skis, can do except figure skate. Hey, in that, real men don't figure skate.

In the dark ages of 1980, a bunch of sports editors listed among the country's athletes of the half-century. I know that a little bit as those years past before his death in 1954 and I think he would have flinched, hearing about Kurt Browning winning his award.

This awards something about the social climate of that other half-century and something about how sports have changed in this one. There weren't many people around who gave public thought to figure skating back when the century was only half over. Oh, we were slightly daffy over Barbara Ann Scott who did her Olympic gold in 1948 at St. Moritz, Switzerland, but she was a girl, and figure skating was for girls, right? If there was a guy around who actually skated on those heavy half-boots, he would have been for fun.

But for somebody such as Lorne Conacher, there was a different story. Here was a man, the Big Bear, playing all that tough sports and he was good at all of them. Good? He was damned truly awesome. He scored three touchdowns in the 1921 Grey Cup game. Indeed, he was so good at football that the Americans imported him to play for Rutgers University in Princeton, N.J., in 1927. He played football for the Toronto Maple Leafs when they were the Little World Series in 1926. He delighted in the chance to go three rounds in an exhibition against Jack Dempsey. He played lacrosse and wrestled strong men, when wrestling was not the treasured country home it has become. And in hockey, which was his third-best sport be-

No sport puts tougher demands on its performers than figure skating, especially on guys who can perform quadruple loops

cause he didn't learn to skate until he was 16, he was an NHL all-star defenseman three times and played on two Stanley Cup winners (Kluge and Montreal). And tough? See, Lorne could something like 600 struts—yes, 600. He lost 150 in his face and head alone and he was had a build to it like a road runner.

But, as far as I know, he had as time for sports that weren't rugged, and these days asks who's skater now old moved some as down his abilities. This is a circumstance that truly bothers Kurt Browning. The other day writing in *The Toronto Star*, columnist Steve Simmons recounted a luncheon conversation with Browning at the Royal Grouse Club in Edmonton, where 24-year-old Browning works in his ice rinks.

"Everyone wants to know about all the guys in figure skating," Simmons quotes the 21-year-old saying. "I know this will probably disgust a lot of people, but almost all the male skaters in Canada I know are straight. I don't think it's any different in skating than in society, then anywhere else."

In 1988, Browning exploded into sports' hot consciousness as the world's champion in Budapest. He completed a quadruple loop, a challenge, turning mistakes never before

achieved in competition. Fulfilling this promise, the personable young name of Caroline, Nova, won his first world's title in Paris in 1988 and repeated last March in Helsinki.

Obviously, Browning is a specialist, disciplines removed from the multi-sport era of Lorne Conacher. That's the way it is with almost all of today's superstars, an exception being the great, modelled Jackson, a powerlifting athlete for the Kansas City Royals who follows up the baseball season by wrestling National Football League defenses, carrying the ball from his backfield position with the Los Angeles Raiders.

The tradition from preserved to specialist as a product of the cold fish eye of television, or, more precisely, the undramatic of money generated by it. Television takes sports into the living rooms of anybody who wanted it, and that it has attracted paying advertisers to the value dollars. Since the skyrocketing cost of television rights was making them money and promoting risk, a circumstance that created expansion of teams and seasons.

Before long, there were professional teams in all the heavily populated cities, and agents paid out contracts—wages to represent the performers and extract up to 10 per cent from the television owners. To accommodate the flood of new teams and to keep the top accounts up to their athletic supporters in person, the seasons were lengthened. There was seldom time left for players to concentrate on more than one sport, much less the half that occupied Lorne Conacher. By 1990, the best 15 skaters were in goal that guys were making \$2 million a year for being good enough to avoid being hit on the head by fly balls.

Old-time athletes could play games around the city, moving from hockey to baseball to football with the seasons, partly because the demands on their conditioning weren't so strict. National ability alone carried them along.

"We played ourselves into shape," Frank Morris told me once, speaking of his six Grey Cup-winning seasons as a player with the Toronto Argonauts in the 1950s and the Edmonton Eskimos during the 1960s. Later, Morris added six more Grey Cup as the director of player development for the Edmonton during the 1970s and 1980s. "We'd arrive for our training camps," he recalled, "and by necessity, we'd be in better shape."

It was that spirit in most sports. Ball players used to spend the long cold winters catching up on their beer drinking and, as John Landner once wrote, "Their appetites were so wide as their baselines." Hockey players spent their winters in ice skating, in hockey, even in full training, in the phase of an opponent after dinner, spoke, Mike Dunlop, "with bellies on 'you like to lose'."

But now the long, long seasons in the big sports sports demand year-round conditioning, and now the top performers in any sport are performers in figure skating, especially guys who can perform quadruple loop. Maybe in the dark old days, Conacher would have thrived on a skater's existence, but chances are that if he were around today, he would spend more time in a prison place for Kurt Browning.

Taxing culture

Canadian artists voice fears about the GST

The past several years have been particularly difficult financially for artists and arts organizations, and Regina's Globe Theatre has suffered more than most. Between 1987 and 1990, the city's only professional playhouse had to raise its ticket prices by more than 40 per cent to meet increasing costs. The theatre also found itself in a state of flux when Kenneth Kraemer, who had founded the Globe in 1966, resigned as artistic director in 1990. Meanwhile, a severe drought devastated the Prairie economy. The effects on theatregoers were dramatic: over those seasons, the Globe's subscription rate dropped to 2,140 from 4,800. The theatre has made a partial recovery, with its subscription list currently at 3,700. But with the country now in a recession, and with the new federal Goods and Services Tax in effect as of Jan. 1, the Globe's administrators say that they remain apprehensive. Added theatre general manager Victor Jernoff-Dine: "It would be really tough to see our upcoming staff because of the GST, and I guess that's my line."

Economically fragile as a rule, Canada's cultural organizations have been particularly vulnerable in recent years due to rising costs and reduced funding. Recently, the faltering economy has eroded their already meagre assets. Now, artists and spokespersons for cultural institutions say that they are especially concerned about the potential effects of the GST. As well as adding seven per cent to the price of theatre tickets, books and works of art, the tax will in many cases increase administrative costs. Saul Blair, Massey, president and chief executive officer of the Toronto-based Council for Business and the Arts in Canada: "In a climate which is already in recession, the Canadian consumer is going to be anxiety-ridden if the additional seven per cent. People will be reluctant to spending money on non-essentials, and I think that will hurt the arts as a major way."

Last week, sellers and consumers had their first experiences with the new tax. Benjamin McDuffy, manager of the Nicholas Blais bookstore in downtown Toronto, was trying to make sense of a computerized accounting statement providing information on, among other things, the store's total sales for one day and the amount of GST collected from customers. Pointing to what was apparently a major discrepancy in the art section, McDuffy said, "This is an incredible administrative nightmare for most businesses."

For their part, the purchasers of such items as books and theatre tickets were divided in their assessments of the tax's impact on their



Nicholas Blais bookstore: 'administrative nightmare'

own arts consumption. At the Book Company in Calgary, customer Laura Becker, a legal records clerk, said that the tax will not affect her book-buying habits. "I'll want the books," she said, "I have to pay it—it certainly won't

stop me from buying books." But another shopper, surveying one assistant Fred Smith, disagreed. "I will not buy nearly as many books as I have," he said. "The seven per cent in too many. It adds almost \$5 to a \$55 book." Meanwhile last week, Colleen Clapping, a Toronto housewife with two children, purchased seats for a National Ballet performance of *The Nutcracker*. But she said that her family would be buying fewer theatre tickets with the GST in effect. Said Clapping: "Rather than have the whole family go to something, it will more likely be Mom and the two boys or Dad and the two boys."

The GST replaces a hidden 13½-per-cent tax on goods known as the manufacturers sales tax. Some cultural organizations had to pay GST on some supplies—theatre companies paid the tax on materials for set construction, but not on costumes. But those GST-tangible items represented only a small part of their costs. The Canadian publishing industry had to pay GST only on a very few items, including letterhead and media kits, which it will now have to pay out and collect large amounts of GST.

Many people working in the arts community say that consumer price inflation is the most worrisome potential side effect of the GST. Michael Pitcher, owner of Toronto-based Muse Magazine and an association with given seminars on the arts and the GST, says that the increase of the arts is very pro-inflation. "If you increase your price by seven per cent," he said, "you might lose a lot more than seven per cent of your audience." But government spokesmen, deflected by the new law to avoid a broad-based assessment. Said Beaulieu Trudel, special assistant to Prime Minister Michael Mulroney: "When you start twiddling certain industries differently, you create impacts on the economy. How would you be sure the overall rate to make up for the loss of you exempted certain parts of the economy?"

Said, the introduction of the GST takes place at a critical time for artists and arts organizations. That is partly because government funding for the arts has not kept pace with the rapidly increasing number of demands from an expanding cultural sector. In the recently released annual report of the Canada

Council, the federal dispenser of arts grants, chairman Alvin Gelfand noted that "the percentage of artists turned away for an amount other than lack of funds has become alarming."

Meanwhile, competition among arts groups for corporate sponsorship has become fierce. Indeed, many organizations are facing a difficult time to pay corporate sponsors for their 1991-1992 season. "It's very competitive," said Suzanne Reiss, general manager of Winnipeg's Manitoba Theatre Centre. "People are selling you both ways. They're not looking

tion that book sales will suffer everywhere as the industry dies in the end." Producers say that they are also concerned about possible problems that could arise during the process of collecting and remitting the GST. Ottawa-based book industry consultant Don Mosley, who described the GST as "a two-edged sword that is a trader's nightmare," said that the government could net about \$175 million from the entire publishing sector, including newspapers, magazines and books.

Prime Minister Brian Mulroney has said that

year-end sales of performances in suburban Quebec. Hebert and Desrochers are up, but new works ticket sales for the same areas and the page areas are down six per cent and 20 per cent, respectively, from the 1989-1990 figures.

Michael LaFreniere, general manager of the symphony, says that the orchestra's management is anticipating sales reductions to the GST. Apart from the new law, the new law for single tickets in the 1991-1992 off-season season, the symphony has limited ticket prices increases to just 2½ to four per cent, depending on the season as a question. That is less than the annual inflation rate, currently running at five per cent. Last season, the top single ticket price for a symphony Nova Scotia concert was \$22, this year, with the cut and the orchestra's own increase, the top price will rise to \$25.50. Said LaFreniere: "Very nervous if we can't raise the price to cover inflation, our costs go up. The options start to disappear."

The GST will also place an added administrative burden on the cultural community. Muscat noted that "the coming year is going to be a real challenge for a lot of arts organizations who do not have widely sophisticated accounting systems." Bookkeeping is going to become more complicated for most individual artists as well. Anyone who earns less than \$20,000 a year—and most artists fall into that category—can choose to be classified as what the government refers to as "small traders."

They do not yet have to charge the GST on goods that they supply or services that they perform. But if they choose to do that, they will not be eligible for rebates on the tax they pay on their business-related purchases. As a result, most art experts advise people who make less than \$20,000 to have high business costs to register for the GST.

Throughout 1990, Toronto artist and musician Mendelson was disappointed against the GST on Sunday afternoon outside the Art Gallery of Ontario in downtown Toronto. He was a neighbourhood meeting "Gut! Culture! Culture! the new community." In conversations, he pointed out that most provinces already charge their own sales tax on works of art. In most parts of the country, the combination of the GST and the provincial sales tax will amount to a total surcharge of between 15 and 18 per cent on works of art. Said the artist: "You know who does the same thing? The Mafia. The GST is a protection tax." Not all artists are so defiant, but like most Canadians they are facing the onset of the GST with uncertainty and growing concern.



Are higher artists are awaiting the effects of the GST with uncertainty and growing concern

for high-profile sponsorship because they're worried about employees and artists' accounts of their supporting something frivolous."

At a time when balancing the books is becoming increasingly difficult for the arts community, the GST represents yet another problem. The publishing sector has lobbied against the new law with particular vehemence. Industry experts estimate that the added administrative cost paid by the GST will raise annual costs by as much as 2½ per cent. However, because the GST is a so-called low-through tax, its heaviest will not be borne by publishers. Like other businesses, a publishing house will have to monitor both the GST that it pays in supplies and services (called input tax) and the GST that it collects from customers—usually bookstores and distributors in the case of publishers. It will cover the input tax by deducting that amount from the tax that it collects, sending what is left over to the government. Bookstores, in turn, will collect the GST from their customers.

In the end, it is only the bookstore's customers who will not get any rebate, said Arnold Goursard, director of the Book Industry Trade Forum on the GST. "There is a strong expectation that book sales will suffer everywhere as the industry dies in the end," he said. "It's very competitive." And that the government could net about \$175 million from the entire publishing sector, including newspapers, magazines and books.

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PAMELA YOUNG with JEAN WORME in Calgary and KAREN TUGERDIE in Toronto

Sub-Activity 1



Bush-league, but extremely genteel

BY ALLAN FOTHERINGHAM

The very best (and the only) way to start the first day of 1991 is to be in Seventh Heaven. In the early afternoon. After lunch. In the brilliant sunshine. Seventh Heaven is 1,694 feet above sea level, the most spectacular sight among the 62 ski runs on Blackcomb Mountain at the Whistler resort. 96 minutes, at the 10th line north of Vancouver. It is above the tree line. From Seventh Heaven, you can look down over two glaciers, which some people with two workable knees are actually doing.

Those who have only one workable knee stick to Seventh Heaven, which, with powder snow on the best day of slalom since barrel staves were invented, makes you want to cry—and despite that, working for a living was ever denied. It might even make Michael Wilson, the second-most-spectacular man in the land, smile. Perhaps. Maybe.

The maps from the Cariboo Gold Rush days show a "London Mountain." It was volcanic in the past, changed to Whistler—because of the shield and perring whistles of the prominent bag-like mountains that live in the ridges above the tree line. The two mountains, Blackcomb and Whistler, have been named for the second year in a row by 36 magazines as the finest snow terrain in North America.

The whole time, you are exposed to the psychiatric strains of the Japanese skiers who came by the 747-and-landed their jets in the airporting cash registers of the locals. Umberto Moggia, the sought king of Vancouver restaurantiers, has 113 seats in his main Whistler place, always the centre of the plastic action. One holiday night, all of them were occupied by Japanese.

Almost at the top of the mountain, below Seventh Heaven, above the glaciers, below the tree line, is the Rodericore Restaurant—the highest dining pavilion in Christendom. It seems to hold roughly the population of Paris. There is a bar, with a table cloth, silver, good wine and fine service. There is the buffet, with waiters. And there is the main cafeteria area: pizza, hamburgers, chili, a deli, a bakery, kiosk, home-made sandwiches, kiosk



pieces, cheese—and Pierre Trudeau, just back from Vietnam and Thailand, smoking with the pipes.

It is a one-mile drop from the top of Seventh Heaven to the Whistler Village below. Run called Georgetown and Cougar. Chute are not recommended for the weak. One can roll that anything called Overdrive and Snow Chute should be avoided. On the other hand, Jersey Caves and Yellow Rock Road takes the very, those with brittle bones and immature spines.

This is the 25th anniversary of the Whistler event. There was an estimated try for the 1984 Olympics (the day who is now Speaker) John Fraser was one of the winners, but the hosts seemed to go out of the dream when it failed that time are the employees seemed to shift to Calgary, which of course did pick the 1988 Games. Whistler settled back into being an upper-middle-class resort, with cozy cozy stretching as far as the back can reach.

The nature of slalom, as everyone knows, is fear. Because it involves gravity, and all events turn eventually end in the ground, if you simply point the tip of your skis down you can reach astonishing speeds remarkably quickly. The secret is to avoid this at all costs. The secret is to point your tips across the slopes until you eventually let the back on the far side.

This makes one extremely popular with the locals in the \$3,000 Bogen pumps which are cutting straight down, their knees and ankles locked, desperately, together. We use an intricate of using all the mountain, slowly going from side to side, avoiding as much as possible any downward tendency. Gung does can only lead to trouble.

If truth be known, the major danger at Blackcomb this year is to the eyeballs. The steepest designers' need to have a new look for every season—therefore rendering the girls' last year's outfit, which—has now reached the critical stage.

This year's look is the neon look. Such are the colors of yellow and pink that it makes your eyes water to look at the rear end of the lady on the clear lift ahead of you. Some of the Japanese skiers glow in the dark. You have to wear goggles not because of the snow but for fear of being blinded by neon disguised as a skier.

The other main danger is the snowboarders. There are the kamikaze types who can't leave well enough alone. Proceeding slowly from side to side—as illustrated above—or two sticks of decorated something is not enough. These types have taken the outboard from the beach to the slopes, attached two foot mounts and unlearned themselves as skiers.

The real risk is that they are going down the hill sideways, riding a barling weapon that is guaranteed to cut your leg off at the hip if you should be in a collision with one—while gently gliding from the back on one side to the back on the other. A lethal combination of the skateboard and the surfboard is now attracting to some, riding in most cases by 14-year-olds with an intense interest in the possibilities of speed. It's sort of like wondering by foot across the fully 500 Speedway while a race is in progress.

The safest place, in fact, is in a condo with a look and a fireplace, a protective tables by many who find that the dangers in their eyeballs (the neon) and to their limbs (the snowboard) are not worth the risk. That is all true, but the only place to be on the first day of the year—a promised busy year to follow the last 300 years—is in Seventh Heaven at the summit.



**Your Mother Taught You To Feed A Cold.
But What Did She Say About
The Sinus Congestion That Comes With It?**


If you're like most people reading this magazine, you just never learned about sinus congestion.

All along you probably thought it was just another one of those miserable cold symptoms you had to put up with. Well, it's time you realized that your sinuses require special attention. Sinusitis is formulated to relieve the discomfort caused by sinus congestion. So why are you suffering?


Surely, your mother wouldn't ever recommend that.




For The Sinus Congestion With Your Cold.



*Two leaves for North Bay...
Two leaves for Kelowna...
Two leaves for Moose Jaw...*



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